INTERURBAN
"YAEL"
TAXI SERVICE
OUR NEW ADDRESSES IN TEL AVIV:
21 REHOV LILIENBLUM, TEL 5436.
30 REHOV LEVONTIN
Also daily service to SDE BOKER

TUESDAY, MARCH 30, 1954

THE JERUSALEM POST

PRICE: 100 PRUTA
VOL. XXX, No. 7830

CONSOLIDATED ASSETS EXCEED 75 MILLION POUNDS
24 BRANCHES THROUGHOUT THE COUNTRY
At Your Service
THE PALESTINE DISCOUNT BANK LTD

Marginal Column

By ERAYA SHAPIRO

THE decision to leave the Israel-Jordan Mixed Armistice Commission could not have been taken with a light heart. Any act placing this country in opposition to the U.N. cannot be popular. Nor could the consequences of possible political pressure by unfriendly powers be underestimated. If the action was taken, however, it was because by continued participation in the MAC, Israel would have sanctioned a state which, not so many years ago, had led to war. The issue, however, is not between Israel and the U.N. Truce Supervision Organization. Strange as it may seem, it is not between Israel and Jordan. To call a spade a spade, it is the old struggle of the Yishuv with a hostile British Colonial Service.

●

WHEN Israel became a fact, many British administrators left Jerusalem for Amman, where they became Counsellors or officials of the Hashemite King. In Palestine, they had been traditionally hostile to Zionism. That fact, glossed over for many years by official pronouncements and censorship, is no longer a secret. Honest Britishers revealed it openly as soon as they left the King's service. In "Palestine Notebook," C. R. Ashbee, the Town Planning adviser to Sir Ronald Storrs, records frankly that in 1923 the British Administration had decided to be pro-Moslem and anti-Zionist. Less literary-minded officials kept the matter to themselves, until their secret reports were published by His Majesty's Stationery Office a year or two ago.

●

UNSHAKEN by facts and logic, the anti-Zionist tradition of the Palestine Mandatory administration still thrives across the border and may even be present in British circles nearer home than that. We are also led to conclude that it has had its influence on the staff of the Truce Supervision Organization. All the Observers live in the Arab section of Jerusalem, including General Bennike. Some of them were discreetly informed, on their arrival, that the American Colony provided good services quite cheaply. The social life of the Old City is, of course, that of Arab notables and pro-Arab British officials of the Hashemite Kingdom. The Belgian, American or even French officers among the U.N. Observers would have to possess superhuman qualities to resist being influenced by the British. After all, such an observer would be bound to think, those Britishers are the only real Europeans in the area, and, being here for a very long period, they must know the problems intimately. It would be doubting British education, subtlety and charming good manners to suppose that they would nevertheless seem anything but impartial to an outsider.

●

BRITISH influence seemed to dwindle in the area after May 15, 1948. That the British consented to give away so much in their negotiations with Egypt seemed also to indicate that they had lost interest in the Middle East, or that their influence was dimmed by the presence of another Big Power. That it was not so became apparent last October, after the unfortunate Kibya incident. Had things been left to take their natural course with emotions being given full expression, war between Jordan and Israel might have been inevitable. The British might have gauged that, in such case, Jordan would have been badly beaten without the support of her troops; but British troops could hardly have been put into action without raising a world storm of indignation. It was then that the British across the border showed their mastery of the situation. The appeal to the Security Council stopped hostilities before they started. Jordan was saved from ignominy, the British from an unsavoury position, and the Israelis were branded as repacious aggressors before the whole world.

●

THE moulders of British foreign policy had never accepted the theories of the Arab Bureau as totally valid. For a variety of reasons, however, the men on the spot were given freedom of decision in far too many matters. The controversy between Lord Balfour and General Clayton over Palestine has been reported. Clayton had to go but Storrs remained to continue Clayton's policy. There are some signs that informed people in London have learned a number of lessons in the Middle East, and Israel has some genuine friends who know her value to European culture. Changes, however, seem to take place slowly in Whitehall, and John Glubb must have many personal friends in high places. British policy in the Middle East is directed by men who unfortunately are influenced much more by reports from Amman than from Tel Aviv.

Jerusalem, March 30.

AFTER MIDNIGHT

A second thermonuclear (Hydrogen) explosion was set off last Friday at the U.S. testing area in the Pacific, it was announced last night by the Atomic Energy Commission.

Nasser Holds Upper Hand, Nagib Still P.M., President

Cairo Under State of Siege

CAIRO, Monday (Reuter). — An exhausted General Nagib remains President and Prime Minister of Egypt tonight although the Revolution Command Council and the Cabinet announced its decision to rescind the Council's former decision to restore parliamentary life in July.

This, on the surface, appeared to be a compromise solution to Egypt's current crisis, but the fact that a news blackout has been clamped down over developments and the army has been called in to maintain order in Cairo, suggested that the feud between the President and Deputy Premier Gamal Abdul Nasser has not been completely resolved.

Two unofficial reports circulated tonight. One was that General Nagib, although retaining his titles, would be a "rubber stamp" with no real power. The other, that in view of his poor state of health he would soon resign.

Other Developments

These were the other developments that took place in the 24-hour period ending at midnight tonight:

1) King Saud flew back to Riadh this morning after failing in his second attempt to mediate the Nagib-Nasser dispute.
2) General Nagib collapsed at the airport after King Saud left, and it was announced that the resumption of the Revolution Council-Cabinet meeting scheduled for 9 a.m. was postponed.
3) A general strike paralysed the capital, and then began to disintegrate.
4) Demonstrations were reported throughout Egypt, most of them pro-Nasser.
5) The Army was called in to keep order in Cairo, and a state of siege was declared.
6) Press censorship was reimposed.

General Nagib was said to be suffering from a combination of arterio-sclerosis (hardening of the arteries), exhaustion and nervous strain, but he was well enough to meet with Nasser in the afternoon at the Premier's residence.

During the day, upwards of one million workers were reported to be on strike. Banks and shops in business centres and petrol stations were closed, as were theatres and cafes.

Assembly Head Hurt

The most serious demonstration took place against the General Assembly of the State Council, the supreme consultative body, which was holding a special meeting to consider the situation.

Fearing that the Assembly might issue a pro-Nagib statement, the demonstrators attacked Dr. Abdel Razzak el Sanhoury with knives seriously injuring him. Dr. Sanhoury fired on the demonstrators killing two of them and wounding another two. The demonstrators fled when he opened fire.

It was then that troops were ordered out by Major-General Abdel Hakim Amer, Commander-in-Chief, and all further demonstrations were banned. Cairo took on the appearance of an armed camp. Lorry-loads of troops poured into the city and armoured cars with gun turrets manned strategic positions.

While the soldiers were moving in, Major Salah Salem, Minister of National Guidance, announced the immediate formation of a new national consultative council which would be representatives of all sections of the public.

The execution of the decisions of March 5 and March 25 would be postponed until the end of a three-year transition period, he said. These decisions were to hold elections to a constituent assembly on June 18 and to dissolve the Revolution Council on July 24 for a return to parliamentary rule.

Aims of Council

Major Salem reiterated the aims of the Revolution Council:

1) Evacuation of the British from Egypt and the Sudan.
2) Liquidation of traitors and helpers of imperialism.
3) Liberation of the people from the rule of the old politicians.
4) Establishment of a sound democratic representative government.

As the evening wore on, it became clear that there would be no elections for a constituent assembly and that the Revolution Command Council would continue as the ruling body in the country during the transition period, which is retroactive to January, 1953.

At nightfall, the 200,000 railwaymen who had come out against the Nagib policy called off their strike, and it was announced that trains would be running again from midnight. Observers expected the spreading general strike to be called off.

The big question tonight was the attitude of the Cavalry (tank) Corps which alone of the army is known to back Nagib and returned him to power during the Nasser revolt last month.

Half Million Flee Flooded Baghdad

BAGHDAD, Monday (Reuter). — The flooded Tigris River today totally submerged the capital's fashionable "New Baghdad" suburb, where a population of more than 500,000 people escaped to safer ground. Iraqi army teams worked feverishly to rescue those left behind in the flood, as the army took over control to save the city from the flood waters.

Arrow (left centre) shows flood area and headwaters of Tigris.

The level outside the eastern embankments has been rising continuously since the pressure of water breached the left bank of the Tigris yesterday, and today the swollen river was joined by a torrent bursting through from the Diyala River.

The situation was reported as grave.

Knesset Passes Budget Income

Jerusalem Post Knesset Reporter

By a wearisome process of voting down, point by point, opposition amendments to the 46 paragraphs dealing with income in the proposed 1954/1955 budget, the Knesset last night passed the second and third reading of this section of the Budget.

The first two groups of the Expenditure Budget were also passed in the final reading.

Mr. I. Guri, chairman of the Finance Committee, in reviewing the Government proposals and opposition amendments, emphasized that the IL.172m. increase in the budget represented not only increased costs and the Development Budget but also the higher cost of payments in foreign currency, which had in previous years come out of the equalization fund.

Government supporters and opposition differed only in degree in their sharp censure of citizens who evade income tax, and Mr. Guri, chairman of the Knesset Finance Committee, forecast very much more stringent measures to be taken by the Treasury in future against offenders. He said that the Finance Committee had proposed measures to increase ordinary income by another IL.1,125,000, by raising taxes on foreign travel, licences and certain services. The tax on travel will be raised from 15 to 20 per cent of the fare. In addition to the General Reserve of IL.3,378,540 there is a Special Allocations Fund of IL.4m. to be used by the Minister of Finance as required, with the approval of the Finance Committee.

Mr. Guri noted that the Mapam amendments would raise the budget by IL.90m., the Herut amendments would reduce it by a similar sum, and the Communist amendments by IL. 50m.

Mapam Opposition

Mr. Zisling, for Mapam, emphasized mainly that his party was opposed to the high proportion of indirect taxes in the budget, and sought more taxes on property, wished to free cement and tyres from excise duties and said it was absurd that the Government should collect more in taxes on radios than it spent on programmes.

Mrs. Esther Vilenska, Communist, provoked a five-minute shouting match when she sought to preface her remarks on the budget by what was apparently intended to be a protest against the attack made on Sunday night on Nahalin village. Attempts by the Speaker, Mr. Kiebanoff, to intervene because her protest was not connected with the matter under debate proved unsuccessful, and he closed the session a few minutes early. After the interval she resumed without further digressions. She claimed that the import of Reparations goods had already given rise to dismissals at several factories.

(Continued on Page 2, — Col. 9)

Sharett: Upheavals In Egypt Internal Affair

Israel has taken no initiative and none is about to be taken in the context of the present internal upheavals in Egypt, the Prime Minister stated in Jerusalem yesterday.

The only initiative which could be usefully taken, would be Egyptian — for Egypt to mend her ways with regard to Israel, Mr. Sharett said.

It is not we who stand on record as having declared that there is a state of war between us and Egypt. Egypt is guilty of that declaration. If Egypt chooses to withdraw it, we would welcome it.

"It is not we who are venturing out into the open sea to catch Egyptian boats. It is Egypt which interferes with the normal sea traffic in which Israel is vitally concerned, both in the Suez and on the way to Eilat.

Criminal Intent

"It is not we who take the initiative in breaking into the Gaza Strip. It is Egyptian troops, or residents of the Gaza Strip under Egyptian occupation, that, more often than not, break into Israel territory with murderous or other criminal intent.

"If on any or all of those counts — stabilization of any regime in Egypt is a purely internal concern of Egypt's — a change for the better were to occur, we would greet it."

Dulles: United Action To Beat Communism

NEW YORK, Monday (Reuter). —Secretary of State John Foster Dulles said today that the imposition of the Communist political system on south-east Asia "by whatever means" should be met by "united action" by the free world.

Mr. Dulles said in a speech to the Overseas Press Club of America, "Under the conditions of today the imposition on south-east Asia of the political system of Communist Russia and its Chinese Communist ally by whatever means would be a grave threat to the whole free community.

"The United States feels that the possibility should not be passively accepted but should be met by united action. This might involve serious risks. But these risks are far less than those that will face us a few years from now if we dare not be resolute today."

Vietminh Grip On Fortress Relaxed

SAIGON, Monday (Reuter). — French Union defenders of Dien Bien Phu in a spectacular day-light sortie killed 1,000 rebels and loosened the Vietminh grip around the shell-scarred fortress, the French High Command announced today.

A French spokesman described the raid yesterday by Colonel Christian de Castrie's garrison as a "brilliant success." He said that the rebels had been taken so much by surprise that the French and Vietnamese columns punched right through their lines and created havoc beyond.

M. Pierre Mendes-France yesterday warned that the U.S. will enter the Indo-China war if no settlement of the conflict results from the forthcoming Geneva conference.

Edmund Wilson Here to Study Background to Dead Sea Scrolls

Jerusalem Post Reporter

The renowned American critic, author and essayist, Mr. Edmund Wilson, is spending his first visit to Israel collecting material for an article on the Dead Sea Scrolls, and reading the Bible—in Hebrew—with the aid of a Jerusalem scholar, he told this reporter yesterday.

Since his arrival last Tuesday, Mr. Wilson has "had a delightful time", poring, over the Bible and talking with the admirers, Universtity dons and savants, who flock to his "study" at the King David Hotel.

"Nothing has been written about the Scrolls on a popular level," Mr. Wilson said, explaining that the "New Yorker" magazine had commissioned him to make this trip.

He began learning Hebrew several years ago, and "bridging an obvious gap in my education" by research in Jewish history and literature. Mr. Wilson's range of erudition is a by-word in American literary circles.

An eminent Semitics scholar Dr. C. T. Fritsch, of Princeton Theological Seminary, should arrive in Jordan shortly to help decipher the Scrolls found last winter, now under investigation by Jesuit Fathers of the Ecole Biblique. Mr. Wilson hopes to obtain the latest news of these precious parchments from Dr. Fritsch, his Hebrew teacher in the U.S.

Coming here after a visit to five European countries, Mr. Wilson found Israelis "certainly the most cheerful people — and very much on their toes."

As a political analyst well-acquainted with the early days of the Soviet Union, he was struck by a resemblance with Israel — the feeling of lively hope and new directions.

"To the Finland Station", his encyclopaedic pocket - history of Socialist thought, has just been translated into Hebrew and is to be published by Am Oved.

Mr. Wilson is, however, more interested in Israel's relation to Judaism and the Jewish past, than in new communal forms and her social experiments.

RUSSIA VETOES RESOLUTION ON SUEZ BLOCKADE

UNITED NATIONS, Monday. — The Soviet Union tonight cast its 59th veto in the Security Council to block passage of a resolution which would have called on Egypt to lift restrictions on Israel-bound shipping through the Suez Canal.

The vote on the resolution was eight in favour, two against (Soviet Union and Lebanon) and one abstention — China.

Mr. Andrei Vyshinsky, Soviet Union delegate, declared that the adoption of the resolution could not contribute to a solution of the specific conflict between Israel and Egypt.

Mr. Vyshinsky said that it would be "far more desirable" if the Council appealed to both parties to take measures to settle their dispute by direct negotiations.

Council 'Impotent'

Sir Pierson Dixon, the British delegate, said the Soviet veto might reduce the Security Council to impotence on the Palestine question as Soviet vetoes had reduced it to impotence on other issues.

The British delegate added that in view of the serious news coming almost daily from the Middle East, the prospect of the Council being rendered impotent "must fill us all with the very greatest concern."

The New Zealand draft recalling the Security Council's resolution of September 1951 noted with "grave concern" that Egypt had not complied with it and called upon Egypt "in accordance with its obligations under the charter" to comply with it.

Mr. Leslie Munro, of New Zealand, author of the resolution, expressed "grave concern" on behalf of his government "that again there should be cast a veto against a resolution moderately framed and designed as we thought to reduce tension in the Middle East."

(Reuter, UP, INA)

Bonn Agrees to Large Advance Payments

TEL AVIV, Monday. — The West German authorities have formally agreed to extend this year's Reparations Fund quota by "substantial" sums, it was learned today from the Shilumim Corporation here.

This year's quota is 250m. marks and the additional sums will be on account of the next two fiscal years.

New Austrian Offer Expected—Goldmann

LYDDA AIRPORT, Monday. — Dr. Nahum Goldmann, Chairman of the Jewish Agency Executive in New York, said here today that a new proposal was now awaited from the Austrian Government which might enable a resumption of negotiations on compensation to relatives of Jewish victims of the Nazis. Within the next two weeks it should be known whether the talks would be resumed or not. Dr. Goldmann arrived by TWA this evening from Europe.

Before leaving the U.S. for Europe, Dr. Goldmann had met the Austrian Ambassador to Washington, former Foreign Minister Karl Gruber, and had discussed the future talks with him.

The U.S. Government had suggested to Austria that an agreement be reached with the Jewish claims body on this issue, saying that this would be to Austria's advantage.

Border Raid 'May Be Reply To Murder of Israel Guard'

View of Nahalin as it is seen from south-east of Bethlehem. —Photo Barak.

Jordan Claims 9 Soldiers Killed, 17 Wounded by 200 Israelis

An official Jordan communique issued yesterday said that the Israelis, 200-strong, moved in to Nahalin and Al Jab'a at about midnight on Sunday and killed nine persons including two Arab Legionnaires, one officer and six National Guardsmen, wounding 17 persons, including five Legionnaires.

The Jordan Cabinet met in extraordinary session in the presence of King Hussein yesterday morning to discuss the Nahalin incident. NEABS reports.

The Cabinet reconvened in the afternoon to hear a report by General Glubb, on steps to be taken by the Legion.

The raid, the aim of which was to carry out a "second Kibya," the communique alleged, was foiled by the extreme alertness of the Arab Legionnaires and the National Guards. The Israelis, after mining all approach roads to the two villages, opened fire on the houses to prevent the escape of the inhabitants and moved in to blow them up over their heads.

This was prevented by the "quick arrival of Arab Legion reinforcements which engaged the attackers and inflicted heavy losses."

The exact number of casualties inflicted on the attackers could not be ascertained, as the Israelis "always drag their dead and injured with them" when they retreat. The attackers also suffered heavily in dead and wounded during their retreat when they ran into an Arab ambush in Wadi Fukin.

Shortly thereafter, the Jordan statement said, an Arab Legion lorry was blown up by a mine. The driver was killed instantly and three soldiers and an officer were seriously wounded.

NEABS claims that the raiding party in its retreat abandoned huge quantities of arms, ammunition and grenades which bore Israel markings.

According to NEABS, U.N. observers joined Jordan members of the Mixed Armistice Commission for an on-the-spot inquiry yesterday morning. Commander E. H. Hutchison, M.A.C. chairman, and General John Glubb, Arab Legion Commander, visited the spot yesterday afternoon.

Radio Ramallah reported last night that King Hussein had visited Nahalin and promised the villagers compensation for the civilian victims and medals for soldiers and Guardsmen.

Jordan Seen To Blame for Raid

By The Jerusalem Post Military Correspondent

TEL AVIV, Monday. — What happened in Nahalin might be described as a "Jordan action" if the terms used in the Mixed Armistice Commission were to be applied.

Indirectly it is Jordan, indeed, which is responsible, for the Jordan Government could have stopped bloodshed long ago by preventing its citizens from crossing into Israel with murderous intentions.

Nahalin village, in particular, has a tradition of brigandage and murder. In May 1948, Nahalin villagers were known to be among the Arabs who encircled the 35 students coming to the rescue of Kfar Etzion and murdered them all. From this village must have come the murderers who killed the watchmen in Mahasea a month ago, and in Kesalon on Friday night.

Central Point

Nahalin is the central point of three villages south-east of Jerusalem facing the Jerusalem Corridor — Hassan is to its north, and Surif to the south. Tracks left by many marauders in the Jerusalem Corridor led to Nahalin where a strong contingent of the National Guard is stationed.

It will be noted in the Amman announcements that only National Guard and Arab Legion armed personnel were among the victims of the raid. The raiders apparently chose their opponents carefully.

Arrow points to Wadi Fukin, "retreat" route described in Arab reports.

The National Guard is a local militia, trained by the Arab Legion at the expense of the Jordan Government. Its members are recruited from the *shabab* (young men) of a village who do little more than train, giving protection to herdsmen crossing into Israel, and supervising infiltration.

It is assumed that members of the National Guard do most of the political killing in Israel, while it is possible that professionals do most of the looting. However, a strict distinction between the two types is impossible among Arab villagers. The National Guard is responsible directly to the Amman Government, though its members receive operational orders from the Arab Legion.

Radio Orchestra Gets Its Budget

The Treasury yesterday announced an eleventh - hour agreement to grant Kol Yisrael the IL.13,000 needed to maintain its orchestra in its present form and continue the Tuesday public concerts.

According to well-informed sources, letters have already been sent to the 10 musicians facing dismissal as a result of budgetary cuts, cancelling the previous order.

A Local Affair, Says Foreign Minister

Monday night's attack on the Jordan village of Nahalin, south of Jerusalem, judging by the general impression one receives, seems to be a local affair and a reaction to the incident of robbery and murder which took place two days ago at the village of Kesalon, Mr. Moshe Sharett stated at a press conference at the Foreign Ministry yesterday.

I have no direct or authentic information as to what actually happened, the Foreign Minister added, but "I should like to comment upon one aspect of it.

"They speak of a very large force. Our experience in investigating past incidents — it always takes time to get down to the truth of the matter — leads us to believe that the other side always wildly exaggerated the dimensions of the Israel forces or group which react in such a manner to cases of wanton murder.

"I would like to add," Mr. Sharett concluded, "that we deplore any act of violence, but we must consider that the primary responsibility rests on that party which every now and again starts a fresh chain of murder and robbery. When they stop, everything will be quiet."

Hutchison Calls MAC Meeting

Commander E. Hutchison, Chairman of the Israel-Jordan Mixed Armistice Commission, has convened an emergency meeting of the MAC for today at six a.m. to discuss a Jordan complaint that an Israel force attacked the village of Nahalin on Sunday night, *The Jerusalem Post* learns.

According to the U.N. spokesman, the meeting would be considered valid even if the Israel delegates were absent, as two members of the MAC and the Chairman constitute a quorum as defined in the T.S.O. procedural regulations.

The Jordan complaint states that a large Israel force, using explosives, hand-grenades and machineguns, attacked Nahalin, mining a road and thereby blowing up one vehicle.

The spokesman added that five U.N. Observers were on the scene early yesterday, and pursued their investigations of the incident throughout the day.

Thefts in Negev

BEERSHEBA, Monday.—Infiltrators from the Gaza Strip and Egypt last night stole goats, a mule and water pipes.

One hundred and sixty metres of piping, valued at IL.600, were stolen from a kibbutz in the Western Negev. Tracks of six men led towards Gaza. A mule, valued at IL.800, was stolen from a settlement in the Western Negev and tracks of three men led towards Raffa.

Three other infiltrators from the Gaza Strip stole two goats valued at IL.150 from a Western Negev settlement.

Big 3 Consult on Border Tension

LONDON, Monday (Reuter).—Foreign Secretary Anthony Eden said in the Commons today that Britain was consulting with America and France on the desirability of an early meeting of the U.N. Security Council to discuss the situation on the borders of Israel.

A member had asked what Mr. Eden proposed to do about the request by Israel to Britain and other Governments for the recent outrages to be referred to the Security Council.

A Foreign Office spokesman said that the consultations were in progress in the three Western capitals and also between delegates to the U.N. in New York, but declined to reveal what possible courses of action had been discussed.

Asked whether Britain had made any diplomatic request to Israel to end her boycott of the MAC, the spokesman declined a direct answer. He said, "We have publicly stated our hope that both sides will continue investigations into the recent outrage" in the Negev, where a bus was ambushed by Arabs and 11 Israelis were killed.

The spokesman stated that preliminary reports had been received from Britain's representatives in Jordan and Israel.

He added that he could not yet comment on the Jordan charge that Israel forces carried out a midnight attack on the village of Nahalin.

'Regret' in America; 'Indignation' in Paris

WASHINGTON, Monday. — A State Department spokesman expressed regret at the loss of life in the Nahalin incident. The spokesman, Mr. Henry Suydam, refused further comment as his government was still examining the reports it was receiving on the affair.

The Israel Minister in Washington, Mr. Reuven Shiloah, today conferred with the Acting Assistant Secretary of State for Near Eastern Affairs, Mr. John Jernegan, on the question of raising the Israel-Jordan frontier situation in the Security Council, following the Ma'ale Akrabim attack, and Jordan's refusal to participate in a conference under Article XII of the Armistice Agreement.

New York newspapers reported prominently on the Nahalin incident.

In Paris, the Nahalin incident has caused indignation in diplomatic quarters. France, it was stated, condemned such incidents wherever they came from and whether they were perpetrated as reprisals or otherwise.

(UP, Reuter)

WHY

has "Knesset" become the smokers' favourite cigarette?

1. Its quality is superior to any cigarette of its kind.
2. Its tobacco is blended by world-famous specialists — from Turkish and Macedonian tobaccos of the best species.
3. 20 cigarettes cost only 200 pruta.

SHIP IT BY KLM ROYAL DUTCH AIRLINES

TEL AVIV—JAFFA RESIDENTS!

Two days are left for effecting payment of the Municipal Rates free of the 20% fine.

THE TEL AVIV-JAFFA MUNICIPALITY.

DUBEK 10
RICHER FLAVOUR THROUGH MACEDONIAN TOBACCO

Social & Personal

Mrs. Shoshana Persitz, M.K., left by Sabena yesterday for London, on a private visit.

The Vice-Chairman of the Milan Jewish Community, Dr. Guido Jarach, has arrived with Mme. Jarach for a short visit.

Mr. Robert Szold, President of the Palestine Economic Corporation, returned to New York by Sabena yesterday, after a two-month visit.

Mr. Louis P. Smith, Chairman of the 1954 Combined Jewish Appeal campaign of Boston, was the guest at luncheon of Mr. Joseph Saphir, Minister of Communications, and Mr. Shlomo Eisenberg, Secretary-General of the Jewish Agency, last week.

Mr. Yeruham Ben-Dror, Assistant Registrar of Cooperatives in the Ministry of Labour, has been awarded a British Council bursary and will leave for the U.K. on April 1 to undertake a three-month study-tour of various aspects of the British cooperative movement.

Mrs. Esther L. Berg, Chairman of the American Council for Audio-Visual Education in Israel, has arrived for a series of discussions on techniques of this type of education.

Mr. V.I.R. Sandberg, Director of the Amsterdam Municipal Museum, is to lecture (in English) on "Van Gogh" at the Tel Aviv Museum at 8.30 p.m. on Wednesday.

H.U. Ready For New Buildings

Jerusalem Post Reporter

An area of 350 dunams has been ceded by the Development Authority to the Hebrew University between Rehavia and Beit Hakerem, south of Hakirya. This brings to more than 450 dunams the amount of land granted to the University in that area for the construction of its buildings except for the medical and natural science faculties.

The ground is now being prepared and construction of the Eliezer Kaplan School of Economics and Social Sciences building, a student hostel and the Jewish National and University Library will start within the next few months.

Where to go

JERUSALEM

★ **Archaeology:—**
Department of Antiquities. Special exhibition chalcolithic objects from Tell Abu-Matar, near Beersheba. Rehov Shlomo Hamelech. Open 9-1, 4-6.

★ **Tour:—**
Hebrew University conducted tour, new administration building, King George Ave., opposite Tora Sancta, 10 a.m.

★ **Library:—**
American Library and Reading Room, U.S. Consulate, Mamilla Rd. Entrance free. 9-1, 3-6.

★ **Exhibition:—**
Rembrandt Etchings. National Museum Benalel, 9-1, 3-6.

★ **Film Shows:—**
Keren Hayesod, for tourists and visitors, 11.30 a.m.

TEL AVIV

★ **Exhibitions: —**
Exhibition of "Tel Aviv-Jaffa in drawing" Artists' House, 9 Rehov Alharizi. 10-1, 4-7 p.m.
General Exhibition of Israel Artists: exhibition of paintings and sculptures by 210 artists and sculptors. Museum, 10 a.m.-1 p.m. 4-7 p.m.

★ **Entertainment:—**
Concert at Noga Cafe, from 5 p.m. to 12 midnight.
Dance and dine at the Cocktail Bar

★ **Theatre: —**
Pygmalion." Chamber Theatre, Mograbi, 8 p.m.
Habimah "Most Cruel - the King." Habimah, 8 p.m.

★ **Drama Reading**
"Der Kaiser Von Amerika" (Apple Cart). Beit Hahalutzot, 87A King George St., 8.30 p.m.

HAIFA

★ **Lecture: —**
U.S.-Israel Relations. Mr. S. Ben Dor, Director of U.S. Desk, Foreign Ministry. Auspices of Israel-America Friendship League. Technion, 8.30 p.m.

★ **Exhibitions:—**
Exhibition "Dutch Painting 1850-1950" Municipal Museum of Modern Art — Town Hall — 9 a.m. — 10 p.m. (continuously).
Paintings by A. Okshi — Haifa Art Gallery Ltd., 44 Reh. Herzl. 10-1, 4-6.
Paintings by M. Levanon and sculptures and ceramics by Hella Parig-Zweigel. The "Traciyn" Art Gallery, 4 Reh. Baerwald, opp. Zion Hotel, 10-1, 4-7.

★ **Courses (in Hebrew)**
Prof. A.F. Frankel: "The Deductive Method" — High School for Humanities c/o Geulah School — 8.30 p.m.

★ **Concert: —**
Haifa Orchestra, 2nd Subs. concert — Zion Hotel, 8.30 p.m.

★ **Theatre: —**
Habimah, "The Living Corpse," Orah Theatre, 7 and 9.30 p.m. (Second Performance for Workers' Subscription.)

HADERA

★ **Theatre: —**
"The Trouble Makers." Chamber Theatre, 8 p.m.

RAMAT GAN

★ **Theatre: —**
Ha-Ke-Mi. "Victoria and her Dozen..." Rama Hall, 8.30 p.m.

THE HEBREW NATIONAL
OPERA
FESTIVE PERFORMANCE
on the occasion of the 80th Birthday of
Mordechai Golinkin
Conductor & Pioneer of the Hebrew Opera.
TEL AVIV: HABIMAH
Tonight, MARCH 30, 8.15
Rigoletto
Opera in 3 Acts
(4 scenes) by G. VERDI
Tickets: TEL AVIV: Ha-la, 67 Allenby, Tel. 5018; Kanaf, 53 Allenby, Tel. 3583; "Room," 92 Dizengoff and at the Habimah Box Office.

LAW REPORTS

THE JERUSALEM POST
March 30, 1954

In the Supreme Court sitting as High Court of Justice
Before: Justices Cheshin, Goitein and Landau.

Yehoshua Silber and Yerachmiel Babnik, Applicants, v. Minister of Commerce and Industry, Minister of Finance, and Director of Department of Textiles and Leather, Respondents (H.C. 319/53).

IMPORT LICENSING PROCEDURE

The High Court discharged an order nisi, which it had granted to the applicants, calling on the respondents to show cause why they should not extend an import licence originally given the applicants and why they should not permit the import of the goods which were the subject of that permit.

In October, 1951, a contract was signed between the Ministry of Commerce and Industry and the applicants by which the latter undertook to import textiles which would be sold in Israel against Scrips purchased with foreign currency. For certain reasons this undertaking was not carried out and the parties reached a new agreement in September, 1952, according to which the textiles would be brought in the form of imports without payment. Part of the textiles would be disposed of by the Minister of Commerce and Industry, and of the rest, part would be sold as *Lakol* goods by the applicants and part on the ordinary market.

After this new agreement was signed, a licence was issued to the applicants to import textiles worth approximately $51,000, this licence being conditional on their fulfilling the terms of the agreement. Under the item "Probable date of import" was written "within six months," but the date of expiration of the licence was fixed at December 31, 1952, which was approximately two months after the signing of the agreement. When the goods had not arrived by the end of December, the applicants applied for an extension of the licence. This application was granted, and an extension of three months was given. At the expiry of this period, a request for an additional extension was refused by the respondents.

Request for Order Nisi

As a result of this refusal, the applicants applied to the High Court for an order nisi against the respondents. In this application, Mr. Herman, the applicants' Counsel, argued that the respondents were aware of the fact that the textiles had already been bought and consequently should have extended the import licence. He claimed that it was the general practice to inform a permit-holder that a further renewal of his licence would not be granted. His clients had not been so informed and could therefore rightly have presumed that their licence would be extended.

Mr. Herman submitted further that, since the authorities considered that the probable date of import would be within six months and, nevertheless, granted a licence for two months only and an extension for another three months, this was an indication that they attached no real importance to the period of validity of the licence, and had every intention of renewing it on request.

The refusal to extend the licence was, in the applicants' submission, based on arbitrary considerations and operated against the legitimate interests of the individual.

Return Day

At the return day, an affidavit from the Director of the Department of Textiles and Leather was handed to the Court. In his affidavit, the Director rejected the applicants' claim that no importance could be attached to the period of validity of the licence and stated, in proof of the seriousness with which the respondents regarded the time-limit granted the applicants, that, in response to their original request for a six month's licence, they were granted one for two months only and were given an extension of three months in spite of their request for an extension of six months.

Mrs. Ben Porath, Assistant State Attorney, who appeared for the respondents, argued that, according to the Licensing of Imports (Amendment) Order, 1948, the Minister could cancel an import licence at his discretion without giving any reasons for his decision, and that the Courts could not interfere with this discretion; she based her arguments on an English precedent.

Judgment

The High Court, in a judgment delivered by Justice Goitein, rejected the applicability of the precedent quoted by the Assistant State Attorney. They expressed their surprise that recourse should be had to English precedents when there were so many local precedents, particularly in view of the fact that both the law and conditions were different in the two countries.

The Court pointed out that on many occasions it had desired the authorities and civil servants to base their decisions on legal considerations, not to deprive the citizen in his basic rights and not to prevent the private individual from pursuing his lawful trade. Furthermore, the Court insisted that, since the authorities had such wide powers, decisions should be carefully weighed, that they should not contravene the principles of right and justice, and that Government officials should not turn a blind eye to conditions in the country.

In this case, the Court found that the discretion of the respondents had not been improperly used since they had had every opportunity of renewing the licence and had, nevertheless, not done so, for reasons which they considered sufficiently weighty. Therefore, the Court discharged the order *nisi*, but directed the attention of the third respondent to the special circumstances of the case and recommended that he should reconsider his decision not to extend the licence.

The Court explained that they made this recommendation in the light of the first two respondents' well-known policy of encouraging foreign investments in Israel, and because of the fact that one of the applicants had reportedly invested many thousands of dollars in constructive and essential enterprises in this country.

Judgment given on March 25, 1954.

For the Applicants: Mr. D. Herman. For the Respondents: Mrs. Ben Porath.

EMERGENCY PHARMACIES

JERUSALEM: Bruchstein, near Zion cinema, 3374.

TEL AVIV: Altman, 1 King George, 3791. Kitajewicz, 23 Hayarkon, 3566. Yehuda Halevi, 91 Yehuda Halevi, 51557. Ben Yehuda, 142 Ben Yehuda, 23595. Ziva Ha'ikva Qr., 67408. **JAFFA:** Noga, near Noga cinema, 80696. **RAMAT GAN:** Hyges, 81 Arlosoroff. **RAMAT GAN BET:** Levin, 38 Hanegbah.
HAIFA: Natan, 31 Yosef, 2364. Nisnas, 28 Khouri, 4197. **KIRYAT MOTZKIN:** Pentagon.

EMERGENCY PHYSICIANS

JERUSALEM: Dr. M. Schumert, 19 Ben Yehuda, 61474. Dr. O. Weinberger, 40 Ussishkin, 3589.
TEL AVIV: Dr. M. Shaham, 1 Syrkin, 25542. Dr. N.L. Sacher, 165 Dizengoff, 26383. Dr. I. Griffel, 5 Ben Yehuda, 66496. **JAFFA:** Dr. Alcalai, 65 Rehov 4.
HAIFA: Dr. S. Shilmower, 18 Nordau, 6374. Dr. A. Rosenbaum, 31 Moria, 3816. Dr. L. Szilasi, 106 Jaffa, 6444. Dr. N. Landau, 4 Mahanayim, 6862.

ON THE AIR

Jerusalem: 467 M.; Haifa: 249 M.; Tel Aviv: 33.8, 48.9 & 322 M. 223 & 229 M.): 6.30 Opening. 6.35 "Bow and Arrow." 7.00 Galei Zahal Orchestra. 7.30 Today's Events. 7.35 Marches. 7.45 Noah's Ark. 8.30 News. 9.30 I.A.F. Orchestra. 10.00 Close Down.

B.B.C. HEBREW BROADCASTS (19.43, 24.80, 31.32 & 20.90 M.): 6.30-7.00 p.m. News. "This England..." Treasury of the Mind. English Literature.

VOICE OF AMERICA: English Broadcasts: (16.9, 41.4 M.): 5.00-5.30 p.m. Repeated at 8.00-8.30 p.m. on 30.6 & 31.2 M.

FIRST PROGRAMME

NEWS: Hebrew: 7 a.m., 1.30, 6.15, 8.30 & 11.00 p.m. **Arabic Programme** (including News): 8 a.m., 2.15 & 6.15 p.m.
6.30 a.m. Serica. 6.35 Exercises. 6.45 Musical Clock (R). 7.15 Melodies (R). 8.30 Close Down.
12.00 "Music at Noon" (R). 12.30 Housewives' Corner. 12.50 Light Music (R). 1.45 Break for Music (R). 3.00 Close Down.
4.00 p.m. Programme for Hospitals. 4.45 Light Music (R). 5.20 Agricultural Programme. 5.30 Language Corner. 5.45 Children's Hour. 7.00 "Great Pianists." 7.35 Sports. 7.45 Noah's Ark. 8.45 Newsreel. 9.00 Kol Yisrael Orchestra & Israel Police Band. Conductor: George Singer. Soloist: Melvin Keller. Violinist on "Havah Nagilah" (Braslavsan): Rhapsody for Clarinet and Orchestra (Debussy); Symphony No. 6 (Tchaikowsky). 10.30 Requests (R). 11.05 Close Down.

SECOND PROGRAMME

468, 229, 214, 48.9 M.
English News: 1.45 p.m., 10.15 p.m. 4 p.m. Music (R). 5.00 Programme for Yemenite. 5.20 Literature Corner. 6.00 Programme for Housewives. 6.15 Close Down.
IMMIGRANTS' HOUR (32.8, 34.9 & 469 M.): French: 6.50 p.m. Ladino: 7.00 p.m. Yiddish: 7.50 p.m.
KOL ZION LAGOLA (31.3 M.): 11.15 News. 11.25 In the Country. 11.30 On Behalf of Israel. 11.45 Recital.
ARMY PROGRAMME (44.6, 216 M.; 223 & 229 M.): 6.30 Opening. 6.35 "Bow and Arrow." 7.00 Galei Zahal Orchestra. 7.30 Today's Events. 7.35 Marches. 7.45 Noah's Ark. 8.30 News. 9.30 I.A.F. Orchestra. 10.00 Close Down.

Jivon
Pension Bauchwitz
33 Reh. Rakafot, Tel. 220 is glad to inform its patrons that bookings are still accepted for PESSAH

For Passover and The Seder
Pension ORANIM
Rest House
Beit Hakerem, Jerusalem
Tel. 3937 "ORA" Moderate prices Shady garden. Early reservations. Special rates for weekly stays.

CARMEL
PICADILLY
BAR — RESTAURANT
Starting April 1, 1954,
Great attraction in Haifa
TANIA
MAXIMOVA
the famous singer of:
Sheherezade, Casanova, Monseigneur } Paris
SAM SAMELY and HIS BAND
At the microphone: ERNA AMRE
Please make your table reservations in advance: Tel. 4207

Press Review:

'ANARCHY' IN EGYPT

Most morning newspapers commented on the situation in Egypt. "Davar" (Histadrut) says that "anarchy" is an understatement for what is going on in Cairo. To compare military rule there with Ataturk's revolution in Turkey is ludicrous because the only reforms carried out in Egypt were superficial and unimportant and the military rulers preferred to stir chauvinist passions and heroic rodomontade. Though any illusions as to the stability of the regimes in Arab League countries will have been dispelled by now, this has not affected the trend towards appeasement, says "Davar," but "Hatzofe" (World Mizrahi Union) believes that the West may after all admit its mistakes and discontinue its present "realistic" policy of backing any and all Levant adventurers and dictators who seize power for a day or two.

"Zmanim" (Progressive) notes that as a result of recent events in Egypt the balance of power within the Arab League has shifted, and Iraq is now in a more favourable position. This paper too remarks that the legend of "strong-man Nagib" dies hard in Washington. "Haboker" (General Zionist) believes that due to internal dissension the junta has ceased to be a serious political factor and Nagib appears to be on the way out. Military dictatorship has not given the Arab countries the expected measure of stability, nor should the "new" regimes in Syria and Egypt be able to do so. In Cairo, it is extremely doubtful whether a civilian leader will be popular enough to put an end to the state of anarchy.

"Ha'aretz" (Independent) regrets that the opposition parties do not reveal a more prudent and responsible attitude at this dangerous time. Commenting on a number of speeches by party leaders over the weekend, the paper ridicules Mr. Begin's call for three wars as well as an open conflict with the U.N. The call of Mapam leaders for denser settlement of the Negev and Western Galilee is "utopian"; repopulation alone does not solve security problems — this was proved by the recent murder committed by infiltrators in the Judean Hills where many Jewish settlements exist.

"Kol Ha'am" (Communist) defends itself against the charges that the party has been returning to the old pogromist line of 1936 and that it serves the Arab cause. The paper points out that the Communists oppose the policy of "punishing the murders" but it is a patriotic and internationalist party, nevertheless. "Herut" commenting on new Jordan attacks says that they are the natural reaction to Western appeasement and the weakness and fear displayed by the Israeli authorities, who are satisfied with voicing empty phrases.

"Al Hamishmar" (Mapam) comments on the difficult financial situation of the Histadrut sick fund and complains that the government does not extend it the necessary help.

AT THE CINEMA

Busy Film Week in Jerusalem

THIS was a busy week for the Jerusalem film reviewer. Two cinemas, the Tel-Or and the Arnon, which used to exhibit revivals, have turned to first-run-houses that means 6-7 picture-premieres a week. Then there was that MGM-Festival (Eden) of six first-class achievements: "Julius Caesar," which on the screen surpasses Lawrence Olivier's "Henry V" in dramatic impact; that brilliant one-act cycle: "Story of Three Lovers," which made a lasting impression; the new "Prisoner of Zenda," a pleasant surprise due to good casting; and "Million Dollar Mermaid", starring Esther Williams, which had a real story besides its breath-taking water-ballets, especially enjoyable during a simultaneous *sharav* festival.

"Moulin Rouge" (Orna, J'lem), the most moving picture we remember in months, is the fictional story of Toulouse - Lautrec. Jose Ferrer turns in a great performance. The montage in colour is excellent. Held over for another week.

"The Devil Makes Three" (Eden, Jerusalem)) is an absorbing thriller about neo-Nazism. Captain Gene ("An American in Paris") Kelly, returning to Munich after the war to visit a family of three who saved his life during World War II, learns that the parents are dead. The young daughter (Pier Angeli) working as a night-club entertainer, is mixed up with the neo-Nazi underground movement and the smuggling underworld. There are depressing glaring lights on past and present Nazism in Berchtesgaden. The supporting cast includes pre-Hitler old-timers, like Claus Clausen and Annie Rosar.

"Family Honeymoon" (Tel Or, Jerusalem,) starring Claudette Colbert and Fred MacMurray, the team of "The Egg and I," is a turbulent comedy about a merry young widow with three *enfants terribles*, and the trouble they cause her during her honeymoon trip to the Grand Canyon. The supporting cast has Rita Johnson and Hattie McDaniel.

"La belle que voila" (Zion J'lem) is a very free adaptation of Vicki Baum's novel: "The Career of Doris Hart," another life of a ballerina. It stars Michel Morgan and Henry Vidal. The dancing climaxes are provided by Toherina.

"Convicted" (Arnon' J'lem) once more shows life behind prison bars. Glenn Ford is the prisoner, while Broderick Crawford, as the superintendent gives a remarkable performance. *FRANGO*

Corsair Epic

Warner Brothers' "Crimson Pirate" (Or Gil, J'lem) is hilarious fun. Even your critic, a tried *ex officio* expert on cinematic piracy, wouldn't mind witnessing again the swashbuckling exploits of Burt Lancaster and his deaf and dumb ADC. Burt Cravat, who communicates by way of the knot-language. From a Spanish colonial prison they liberate a French encyclopaedist, who gets a revolution going by on-the-spot inventions of TNT, a balloon, a submarine, a flame thrower and other ingenius devices somewhat reminiscent of our War of Liberation.

The love interest is provided by Eva Bartok, in all this hullaballo, however, she hasn't much chance to show that charm of hers, which proved such a headache for the English royal family. Settings and colour are surprisingly beautiful for a farce, and Siodmiak directed at such a tempo that one has barely time to enjoy them. *Th.F.M.*

Z.O.A. HOUSE
Saturday, April 3, 8.30 p.m.
SONG RECITAL
EDITH GOLDSCHMIDT
Handel, Schubert, Partos etc.
At the piano: Gershon Jarecki
Tickets:
Z.O.A. House, Schlesinger & Springer, Radio-Union, Cartis.

GIFT BOXES OF ORANGES
Order now
VALENCIAS
H. LOEWENTHAL
2 Rehov Hillel, opposite EDEN Hotel, Tel. 4788, Jerusalem.

Wanted
1) deep, comfortable arm-chair with high back and cushions.
2) Folding-bed.
both in good condition.
Phone: 4443, Jerusalem, after 5 p.m., or write: No. 144954, P.O.B. 81, Jerusalem.

TO LET FOR ONE YEAR
2½-ROOM
Luxury Flat
WITH MODERN ENGLISH FURNITURE
RAMAT GAN DISTRICT
Write: No. 1889, P.O.B. 1126, Tel Aviv.

Wanted to Rent
by young couple
1 - 1½ room
FLAT
with spacious balcony, in attractive neighbourhood of Jerusalem
Write: No. 58, P.O.B. 81, Jerusalem.

WANTED BY BLOUSE MANUFACTURER
Smart Man or Woman
with business experience and first-class references.
Apply in writing to: No. 1006/64, Putsbegen Advertising, 14 Rehov Shenkin, Tel Aviv.

FULLY QUALIFIED
Electronic and Electrical Engineer
WITH EXPERIENCE IN
★ RESEARCH PROBLEMS
★ DEVELOPMENT PROJECTS
★ PRODUCTION
RETURNING TO GREAT BRITAIN FOR ONE YEAR
WILL UNDERTAKE COMMISSIONS IN ENGLAND
WRITE: NO. 1888, P.O.B. 1126, TEL AVIV.

French, Israel Army Cagers To Open New Ramat Gan Court

By AKIVA KALMAN

The basketball meeting between the French Army and Israel Defence Service selected teams on Thursday will take place on the new court of the Ramat Gan Stadium, especially finished in time for the meeting. The court has been constructed in accordance with Olympic standards.

The French team is to arrive today in a special French Air Force plane and will be greeted by representatives of the Israel Defence Forces. This will be the first visit of a French Army hooputer set-up to Israel. An Israel Army "five" visited Paris two years ago and went down by one point, 49-48, to the French Army and therefore will be after their "revenge."

Both sides will field strong teams. Among the Frenchmen, all of whom are regulars, are two players, Montclair and Bartoral, who formed part of the French selected which notched a fine 73-64 win over Italy there recently, and men who turned out for the national team in the European championships at Moscow a year ago. Two of the Frenchmen tower 196 cms.

Neither the French nor Israel teams, include any of the men who played against each other two years ago in the French Capital. At a trial game the Israel Army 1954 Selected beat the 1952 set-up, which included such experts as Schneour and Shelah and Ofri, by 47 points to 41, after leading 24-21 halftime. Alfred Cohen, for the winners, was top scorer with 21 points, and Schneour, for the losers, next high, with 20. Hefetz, seven, and Faher, six, also netted for the 1954 set-up.

Teams

The French team is composed of Montclair, Orgeaux, Ray, Bartoral, Varnieux, Chalouf, Hoff, Ebere, Eliote, Petier, Lauderne, Piorini. Trainer: Jacque Kvarson. Israel's players are, all Army regulars: Marcel Hefetz, Alfred Cohen, Reuven Faher, Amos Cooper, Ralph Klein, Amos Line, Azri Lubovitch, Gidon Hess, Israel Tawil, Reuven Lavitz, Izhak Omer, Albert Hamo, Haim Hanin, Izhak Pearlstein and Arzi. Their trainer is Shaltiel, who was in charge of the successful Israeli team at Moscow.

Accommodation on Thursday will be limited, as only one side of the huge stadium will be occupied by spectators. The game is scheduled to start at 3.30 p.m. with the ball being "thrown off" by Aluf Mishne Izhak Ravin, Rosh Aguf Training Command. It will be preceded by a military parade, with the participation of the Army band.

Tonight at 8.45 p.m. a discussion of the game, with Shaltiel participating, will take place over the Galei Zahal network, and the same station will broadcast the actual game beginning from 3.30 on April 1. ... sous services by Dan ... will be laid on from three points in Tel Aviv to the Stadium on the afternoon of the game: Corner Mikve Israel and Barzilai; corner Ben Yehuda and Shlomo Aleichem; and corner Arlosoroff and Dizengoff.

The Frenchmen are scheduled to play two other games during their six-day stay here: on Saturday next, April 3, at the Holon Hapoel court, against a Holon Hapoel-Tel Aviv Maccabi Selected; and two days later, April 5, against opponents not yet decided. The Frenchmen will also be taken on tours of the country. Tickets at 750 pruta, IL.1.000 and 1.500 are on sale for the first match.

More British Soccer Results

Div. III (S): Bournem'th 1, Walsall 1; Brighton 2, S'hampton 1; Cov. C. 0, Swindon 0; Gill'gham 1, Aldershot 3; Ipswich 0, Sarewsb'y 0; Leyton 2, Newp't 0; Millwall 2, Exeter 1; Nhampton 2, Bris. C. 0; Read'g 4, Norwich 4; S'thend 4, Q.P.R. 1; Torquay 1, Cry. P. 0; Watf'd 2, Colch'ter 0. **Div. III (N):** Barnsley 4, Stockp't 1; Bradf'd 4, Grimsby 1; Chester 3, Halifax 1; Crewe A. 0, Carl'le 0; Darl'gton 0, Rochdale 0; Gatesh'd 1, Mansf'ld 3; Hartlep'ls 1, Wrexham 1; Scunth'pe 2, Brad. C. 1; S'thp't 0, Tranmere 0; Work'gton 0, Barrow 1; York 1, Chesterf'ld 3.
SCOTTISH CUP: Semi-final: Motherwell 3, Celtic 2. **LEAGUE Div. A:** Dundee 2, St. Mirren 0; Falk'k 4, Rangers 3; Ham. Ac. 1, Clyde 3; Hibs. 3, Airdrie 1; Partick 0, E. Fife 1; Raith 3, Aberdeen 1. **Div. B:** Arbr'th 2, Cowdenb'th 1; Dunf'mline 0, Dund. U. 1; Morton 2, Ayr 2; St. Johnstone 3, Dumbar'on 1.
AMATEUR INTER. (at Wembley): England 1, Scotland 4. (Delayed for technical reasons).

JERUSALEM CINEMAS
At 3, 6.30 & 8.30 p.m.
ARMON: Convicted.
EDEN: The Devil Makes Three.
EDISON: Honeychile.
ORGIL: Crimson Pirate.
ORION: O'cangaceiro.
ORNA: Moulin Rouge. 2nd week.
STUDIO: Waterloo Bridge.
ZION: La Belle que Voila...

Jivon
ANNE STERN'S ILANOT
Reh. Hashoshanim, Tel. 282
Open for Pessach under the management of
Mrs. Paula Bauchwitz

Have mercy
on an unfortunate old married couple, the man is blind, the woman is crippled. She is the grandchild of the famous Rabbi Akiva Eger. Help them to acquire a one room flat.
Moshe and Esther Berkowits (Eger), 13 Rehov Hagan, Katamon, Jerusalem.

For Sale, rent or exchange,
1) PLOT 8 dunams approximately. Industrial centre (near Delfiner Silk Factory.)
2) INDUSTRIAL PLOT, 500 sq. m., in Tel Aviv.
3) PLOT 500 sq.m. in centre Ramat Gan suitable for Residential Building or villa.
Apply to: P.O.B. 8340, Jaffa or Tel. 83446.

ADMINISTRATIVE
Secretary
CORRESPONDENT
Independent worker. Fluent English, German, French, Spanish. Some knowledge of Hebrew.
SEEKS POSITION ANYWHERE IN ISRAEL
Contact: PATWA Office, P.O.B. 92, Jerusalem Tel. 3080.

Production and Export Manager
Diplomed technician, 36-years-old, knowledge of several languages (including Hebrew). Personal business connections abroad and in Israel.
SEEKS SUITABLE POSITION
First class references.
Please write: P.O.B. 446, Haifa.

Notice to the Public

TENDER No. 16/54
FOR THE SALE OF PROPERTY IN JERUSALEM

The property designated under Block 29, Parcel 71 (known as Sansour Building) in Jerusalem, is hereby offered for sale.

The property which has four fronts is situated in the centre of town, on Rehov Ben Yehuda, Jaffa Road, Rehov Lunz and Zion Square, and its area is of 2,027 sq.m. Further details may be obtained at the Technical Department of the Development Authority, Hakirya, Jerusalem.

1) Tenders should be submitted in closed envelopes to the Director of Sales Department, Development Authority, Hakirya, Jerusalem.
2) Offers are accepted until April 28, 1954.
3) The Development Authority is not obliged to accept the highest or any offer.

Director, Development Authority

BARGAIN SALE
Luxurious 2½-room flat
with spacious hall, 2 balconies on three fronts, 3rd floor, in centre Givatayim, near the Local Council.
Contact: 34b Rehov Sheinkin, Entrance No.2, Flat No. 5, Givatayim.

PHYSICIAN (Psychiatrist) and NURSE
leaving on a several months' trip to EUROPE
are prepared to take care of
PATIENT
during the crossing or also during patient's stay abroad.
Apply: "Europe," P.O.B.4111, Tel Aviv.

For Sale
1) Automatic Cylinder Boring and Honing Machine.
2) Tennis Court Roller 1.10 metre wide, 60 cm. diameter.
3) About 3 tons glass powder.
Apply to: P.O.B. 8540, Jaffa or Tel. 83446.

SECRETARY
English Shorthand - Typist German and Hebrew Typing
WANTS half-day position in Haifa.
Write:
No. 1042, P.O.B. 1125, Tel Aviv.

WANTED TO BUY
in Tel Aviv
TRAVEL OFFICE
Please write full details to No.502. Zelmann's Advertising, 30 Rehov Ahad Ha'am, Tel Aviv.

V&S
GIFT BOXES OF ORANGES
Order now
VALENCIAS
We still have a small quota available.
EMILE VISSER & P. SHILLER LTD.
15 Rehov Ahad Haam, P.O.B. 2119, Tel Aviv. Tel. 62451

THE JERUSALEM POST
Book your papers for April now
4 GIFT BOOKS at Bargain prices

★ Painting in Israel
15 reproductions in colour by nationally known artists, published by MIKRA Studios
Regular Price IL.2.500 for IL. 1.500

★ Gan Gani in English
This is one of the most beloved children's books, now available for non-Hebrew speaking children. A gift that will be much appreciated abroad.
Regular Price IL.3.800 for IL.2.800

★ Gan Gurim גן גורים
A children's book that meets all international standards. Charming nursery rhymes, delightfully illustrated by Isa and superbly printed by Graphica-Bezalel. Reaches new high level in children's books in Hebrew.
Regular Price IL.3.000 for IL.2.200

★ off the beaten track
This striking collection of photographs, colour and black & white by Ben Rothenberg, has a rare, a spiritual quality. As a gift it is unusual, for your own pleasure it is timeless.
Regular Price IL.9.000 for IL.7.000

What All Our Regular Readers Must Do:
For the whole month of April purchase your paper daily from the same kiosk or newsvendor. On April 30 your newsvendor will give you a voucher which will enable you to purchase these books at any one of the offices of THE JERUSALEM POST — JERUSALEM: Rehov Hahavazelet; TEL AVIV: 32 Rehov Mahlei Binyamin; HAIFA: 1 Khayai Street.
Books are to be purchased from May 1 — 15, only at the offices of The Jerusalem Post

See Israel the WIZO way
TOURS - SOCIAL EVENTS
TEL AVIV 6 Beth Hashoeva Lane. Tel. 4838
JERUSALEM 2 Rehov Hahara-tselet. Tel. 01121
HAIFA 8 Reh. Melchett Tel. 08946.

Today's Post Bag

THE WEATHER

	A	B	C	D
Mt. Cana'an	41	14	28	34
Tiberias	35	6	32	35
Haifa Port	—	16	30	30
Natanya	29	14	30	30
Tel Aviv North	28	13	28	30
Tel Aviv Port	67	13	27	28
Lydda Airport	32	13	33	33
Jerusalem	30	16	26	26
Beersheba	11	15	30	35
Eilat	12	15	34	37

FORECAST: Hazy and sultry along the coastal plain. Sharav in the rest of the country.

*A) Humidity at 5 p.m B) Minimum temp C) Maxim yesterday D) Maximum temp expected today

* * *

5,808,760 CASES of citrus were exported from the beginning of the season until last Sunday. By this time last year, 4,000,000 cases had been exported.

* * *

71 SWEDISH and 46 American tourists arrived in Jerusalem by way of Mandelbaum Gate yesterday for a nine-day tour after visiting Jordan and other Arab States.

* * *

FOUR YOUNG CHILDREN fainted in Ramle yesterday due to the heat.

* * *

FOR EATING A IL.4 meal in the Ginati restaurant, Bat Galim, on Saturday, and failing to pay the bill, Nikola Akilinin, 37, of no fixed address, was remanded in custody for five days by Haifa Magistrate Dr. Y. Levin, yesterday on a charge of theft.

* * *

THE RECENT REFUSAL of a Jerusalem doctor to answer a night call was discussed yesterday between Mr. Joseph Serlin, Minister of Health, and Mr. Elhanan Rabinovich, Chairman of the Jerusalem branch of the Medical Association. The Association is to investigate the case.

* * *

22 MEMBERS OF FOUR Petah Tikva families were homeless last night, following the gutting of their wooden hut in the Givat Shmuel quarter by fire. The blaze was caused by an overturned incubator stove.

* * *

THE KUPAT HOLIM dispensary in the Beersheba quarter closed yesterday for two weeks in protest to the beating-up on Sunday of one of the dispensary's physicians by a man refused treatment ahead of his place in the queue.

RUTH HACOHEN TRIAL

TEL AVIV, Monday. — The trial of Ruth Hacohen for the attempted smuggling of diamonds valued at $100,000 from Israel last February was due to begin today in New York, it was revealed here today by Mr. Y. Keren, Deputy Inspector General of Police, who recently returned from the U.S.

All Armistice Plaints to UN Council

PM Demands Meeting Of Security Council

With the withdrawal of Israel from the Jordan-Israel Mixed Armistice Commission incidents would in future be reported to the Security Council and also to General Bennike, the Chief of Staff of the Truce Supervision Organisation, Mr. Sharett, in his capacity of Foreign Minister told a Press conference at Hakirya yesterday. He answered questions on numerous aspects of foreign policy.

The urgency of Israel's request to the three Western Powers for the immediate convocation of the Security Council to examine Israel-Jordan relations, particularly in the light of Jordan's refusal to meet with Israel under Article XII of the Armistice Agreement, was underlined yesterday by Prime Minister Moshe Sharett in a statement to the Press.

"For the third time, the Jordan Government has rejected the Secretary-General's invitation to a Conference to be convened in accordance with Article 12 of the Armistice Agreement. It has thereby flouted its clear obligation to attend," the Prime Minister continued.

"The Secretary-General thereupon announced that he could not pursue the matter further. We are thus faced with a grave new factor in the development of the situation.

"The Secretary-General's present disinclination to proceed cannot easily be reconciled with the terms of Article 12, nor with his own former statements which indicated a firm resolve to convene the Conference for a certain fixed date and put the Jordan Government to the final test of honouring its obligation.

"The course now adopted by the Secretary-General would appear to call for elucidation, pending which the Government of Israel prefers to withhold further comment.

"As for the Jordan Kingdom, its record of disregard and contempt of the Armistice Agreement has reached a new peak. Hardly an operative Article remains in the Agreement which the Jordan Government has not violated. It has failed to discharge its fundamental obligations under Article 1, the cornerstone of the entire armistice structure, by taking no action to prevent armed incursions into Israel, which have levied a heavy toll of life and property, culminating in the revolting outrage at Ma'ale Akrabim and since then carrying further their trail of blood.

Constant Violations

"It has consistently violated Article 3, by indulging in a campaign of economic warfare and hostile propaganda. It has completely ignored Article 4, by treating, in innumerable instances, the armistice demarcation lines as non-existent. It has from the very outset refused to carry out its obligations under Article 8, concerning Mt. Scopus and the Holy Places. It now treats Article 12, to which a vital function is assigned in the operation of the Armistice Agreement, as so much ink on paper.

"The question arises whether in the estimation of the Jordan Kingdom the Israel-Jordan General Armistice Agreement of April 3, 1949, is still valid and operative, and whether the Jordan Government realises the incalculable effects upon peace and security which its virtual repudiation of the Armistice Agreement is liable to have.

"The new challenge of Jordan to the authority of the United Nations by rejecting the Secretary-General's invitation, as well as the declared inability of the Secretary-General to take any further steps in the matter, add weight and urgency to the request which Israel, in her anxiety to resolve all difficulties by peaceful means, has addressed to the three Western Powers for the immediate convocation of the Security Council to examine the whole situation and devise ways of ensuring the faithful implementation of the Armistice Agreement."

"The Secretary-General's request that Israel should not pursue the matter further, and his own statement that he could not pursue the matter further, in the light of Jordan's refusal to meet with Israel, have left the Israel Government no alternative but to bring the matter before the Security Council.

"We have no wish to see the Armistice Agreements abrogated. We have no wish to see the Armistice Agreements replaced by a state of war. We have no wish to see the Armistice Agreements replaced by a state of belligerency. We have no wish to see the Armistice Agreements replaced by a state of non-peace. We have no wish to see the Armistice Agreements replaced by a state of non-war. We have no wish to see the Armistice Agreements replaced by a state of non-belligerency.

"We have no wish to see the Armistice Agreements replaced by anything but peace. We have no wish to see the Armistice Agreements replaced by anything but the Armistice Agreements. We have no wish to see the Armistice Agreements replaced by anything but the Armistice Agreements."

"The Secretary-General's present disinclination to proceed cannot easily be reconciled with the terms of Article 12, nor with his own former statements which indicated a firm resolve to convene the Conference for a certain fixed date and put the Jordan Government to the final test of honouring its obligation.

"The course now adopted by the Secretary-General would appear to call for elucidation, pending which the Government of Israel prefers to withhold further comment.

"As for the Jordan Kingdom, its record of disregard and contempt of the Armistice Agreement has reached a new peak. Hardly an operative Article remains in the Agreement which the Jordan Government has not violated. It has failed to discharge its fundamental obligations under Article 1, the cornerstone of the entire armistice structure, by taking no action to prevent armed incursions into Israel, which have levied a heavy toll of life and property, culminating in the revolting outrage at Ma'ale Akrabim and since then carrying further their trail of blood.

Constant Violations

"It has consistently violated Article 3, by indulging in a campaign of economic warfare and hostile propaganda. It has completely ignored Article 4, by treating, in innumerable instances, the armistice demarcation lines as non-existent. It has from the very outset refused to carry out its obligations under Article 8, concerning Mt. Scopus and the Holy Places. It now treats Article 12, to which a vital function is assigned in the operation of the Armistice Agreement, as so much ink on paper.

"The question arises whether in the estimation of the Jordan Kingdom the Israel-Jordan General Armistice Agreement of April 3, 1949, is still valid and operative, and whether the Jordan Government realises the incalculable effects upon peace and security which its virtual repudiation of the Armistice Agreement is liable to have.

"The new challenge of Jordan to the authority of the United Nations by rejecting the Secretary-General's invitation, as well as the declared inability of the Secretary-General to take any further steps in the matter, add weight and urgency to the request which Israel, in her anxiety to resolve all difficulties by peaceful means, has addressed to the three Western Powers for the immediate convocation of the Security Council to examine the whole situation and devise ways of ensuring the faithful implementation of the Armistice Agreement."

Mr. Sharett categorically denied the statement or outburst which was attributed by one of the agencies to Sgan-Aluf Shalev which he is supposed to have made in one of his conversations with Colonel Hutchison of the U.N.

"We saw straightaway that this was a complete and malicious fabrication. We wondered who was responsible for it, but we turned immediately to U.N. Headquarters in Jerusalem, and we were told that they deny categorically on behalf of Colonel Hutchison that any such statement had ever been made to him by Sgan-Aluf Shalev or by any other representative of the Army or Government of Israel.

Economic Boycott

In connection with the economic boycott maintained by the Arab States, Mr. Sharett said that this had always been one of the counts of the indictment of the Arab states made by Israel on the score of violations of the Armistice Agreements and the repudiation of the principles of the U.N. Charter.

The Foreign Minister categorized this boycott as a clear breach of all the Armistice Agreements, which forbade any acts of enmity or hostile action.

He referred to the continuous process of economic and verbal warfare, public incitement, economic boycott backed up by action and administrative penalties, as a consistent violation of the Armistice Agreements. This had been constantly brought to the attention of the Security Council.

Referring to the continuation of work on the Jordan Hydro-electric project, Mr. Sharett stated that no decision had been taken. Exploratory talks had taken place with U.N. experts. They were now engaged in revising their report and the discussions would continue.

Unemployment Down to 11,000

The average daily number of unemployed dropped by 1,700 in the week ending March 19 to a total of 10,850 persons, the Ministry of Labour announced yesterday. This figure included 4,617 unskilled labourers and 1,852 women.

The greatest number of unemployed, 1,922, were registered in the Tel Aviv-Jaffa area; Haifa had 1,681; Jerusalem, 1,009; Ramat Gan-Givatayim, 775; Petah Tikva, 424; Ramle, 322; Bnei Brak, 312; Rishon leZion, 300; Holon, 297; Lydda, 262; Natanya, 253; and Hadera, 202.

(Leader, — Page 4)

Trade Balance Improves Under Monetary Controls: Horowitz

TEL AVIV, Monday. — Since the transition in 1951 from a policy of physical and administrative controls to one of monetary controls, this country's adverse balance of trade has been steadily improving, Mr. David Horowitz, Governor-Designate of the State Bank, said here today at the annual meeting of the Chartered Accountants and Auditors Association at ZOA House.

In 1951, the trade balance deficit amounted to IL.105m., in 1952 to IL.94m. and last year to IL.81m., figures which indicate that we have succeeded in narrowing the inflationary gap, Mr. Horowitz said, adding that he objected to any form of inflationary policy since this country consumed more than it produced and inflation increased imports.

He considered that the deflationary policy had not gone too far, and he did not think that credits should be extended. From January, 1953, to January, 1954, the total credit advanced from non-Government sources amounted to IL.60m. he said.

He warned that the country was not maintaining itself and that without foreign aid its very existence was in question, adding that the Government's disinflationary policy was a good remedy.

Mr. Horowitz said that a Governmental committee was now preparing the State Bank Law and the Bank would come into existence when it passes the Knesset.

Attorney General Haim Cohen, who brought the Government's greetings to the meeting, said that the Knesset Legal Committee was now drafting a law which would give Chartered Accountants and Auditors an independent professional status.

Mr. Ben Zion Argov, Income Tax Commissioner, greeted the meeting. *(Itim)*

Pension Plan For Histadrut Employees

TEL AVIV, Monday. — A pension scheme for Histadrut employees was adopted by the Histadrut Executive today. Pensioners may get up to 70% of their last salary on reaching 65 (women at 60) after 35 years of service. Pensions paid under the national insurance scheme are to be included in the Histadrut pensions.

Mr. Zvi Ginat, chairman of the committee which had been preparing the scheme since December 1949, told the Executive that a pension fund would be created by a merger of all Histadrut employees' provident funds. The scheme, therefore, will constitute no new burden on the worker nor on the Histadrut.

It provides for keeping the pensions at the real value of money. The use of money available in the fund will depend entirely on the directions of the Hevrat Ovdim, the holding company of the Histadrut.

The scheme was adopted with only Mr. P. Tubin, Left Socialist, opposing.

Haifa Votes IL.3.5m. Development Budget

HAIFA, Monday. — A revised 1954-55 development budget, totalling IL.3,492,000, was passed by a majority vote of the Municipal Council here this evening. The General Zionist, Herut and Communist Councillors voted against.

The budget had been increased by IL.800,000 for school buildings. Most of the money will be spent in building 63 classrooms, to do away with the "second shift"; sewage disposal; water supply; roads, and the addition of a wing to the Rothschild Hospital.

The Council adopted an emergency work plan for April under which 10,000 work days would be provided at a cost of IL.52,000, mainly on maintenance work. Half the money will be allocated by the Ministry of Labour.

A BUDGET of IL.1,188,000, of which IL.473,000 is for development, was adopted by the Migdal Ascalon Local Council on Sunday.

US Intent to Arm Arabs Disturbing

"The Government of Israel heard with much satisfaction of the representations made to the U.S. Government by a group of Congressmen against the supply of arms to Arab States as long as they maintain a state of war with Israel," Mr. Sharett told his press conference yesterday in answer to a question on the U.S. intention to supply arms to the Arabs.

"The Government has studied very carefully the terms of the reply addressed to that group by the Assistant Secretary of State. It appreciates the reaffirmation by the U.S. Government on that occasion of its friendship for Israel.

"It takes due note of the fact that in the estimation of the U.S. Government, peace between Israel and her neighbours will require real concessions by both sides and is curious to know what real concessions are to be required on the part of the Arab States as a condition of peace.

"At the same time, the Government of Israel remains deeply disturbed by the apparent intention of the U.S. Government to supply arms to Arab States which are guilty of past aggression against Israel and today maintain, by their own declared attitude, a state of war with her.

"No verbal guarantee can in these circumstances be regarded by Israel as an adequate safeguard of her security and justify the placing of arms in the hands of governments which have repeatedly demonstrated, by word and deed, their repudiation of the ways of peace and of the basic principles of the U.N. Charter.

"The Government of Israel will therefore continue in its friendly discussions with the U.S. Government to oppose the policy of supplying arms to the Arab States as long as their present policy of thwarting the cause of peace in the Middle East remains unchanged."

In reply to another questioner the Prime Minister added that any grant of arms to the Arab States was bound to intensify the arms race already in progress and divert resources badly needed for economic development.

To a further question, Mr. Sharett replied that "the U.S. Government has never indicated to us that it expects concessions from us."

WANTED
For well-known office in Jerusalem
fully experienced English
Shorthand-Typist
English mother tongue, good knowledge of Hebrew essential.
Please write: No. 51238, P.O.B. 81, Jerusalem.

THE ISRAEL PHILHARMONIC ORCHESTRA
Special Subscription
CONCERT No. 7
Conductor:
Sergiu Celibidache
TEL AVIV, Tonight March 30 — Series "3"
HAIFA, Wednesday March 31 — Series "1"
Thurs., April 1 — Series "2"

ONLY VIOLIN RECITAL — IDA HENDEL
JERUSALEM
at the piano: MOSHE LUSTIG
TONIGHT, March 30, at 9, "Edison" Hall.
Tickets: at Ochana's, Opp. Zion
PROGRAMME:
Sonata in A-Major — Franck; Adagio and Fugue from Sonata in G-Minor — Bach; La Folia — Corelli; Russian Dance from Petrouchka — Stravinsky; Malaguena — Albeniz; Legend, Tarantella — Wieniawsky.
THE ISRAEL PHILHARMONIC ORCHESTRA

Warning!
We hereby join the Israel Police in warning the public in connection with the serious poisoning case of a Tel Aviv resident resulting from the consumption of an unknown brand of cognac from an unsealed bottle.
Be sure of what you buy
Be sure of what you drink !
Do not buy alcoholic drinks of whose origin and alcoholic percentage you are not sure.
Make doubly sure you buy wines, cognacs and liqueurs in their original sealed bottles.
CARMEL MIZRAHI
Rishon-le-Zion
and Eichron Yaakov Cellars

Senesh's Heroism Foiled Rescue Bid

Jerusalem Post Reporter

Hannah Senesh's heroism in prison made attempts to free her extremely difficult, Moshe Alpan told the President of the Jerusalem District Court Dr. Benjamin Halevi. He was quoting a Budapest lawyer who "for the love of money" visited her in prison at the end of August or early in September to try to obtain her release through bribery.

Mr. Alpan, of kibbutz Ha'ogen, a member of the Executive of the Halutz (Pioneer) Underground in Budapest in 1944, was replying to questions put to him by Mr. S. Tamir, on behalf of Mr. M. Greenwald, who is on trial for having libelled Dr. I. Kastner in a newssheet by stating that he had collaborated with the Nazis during World War II.

This Budapest lawyer was engaged to work for the release of the two other parachutists in Hungarian jails, Yoel Palgi (who has already testified for the prosecution), and Peretz Goldstein (who disappeared during World War II), Mr. Alpan said. Both the latter were moved from one prison to another so frequently that it was almost impossible even to establish contact with them, he added.

Methods of releasing the three parachutists were discussed with Dr. Kastner, a member of the Rescue Committee. If their release had been effected, it would have been an easy matter to provide them with forged documents. This had actually been done for Mr. Palgi who lived in Mr. Alpan's apartment for several weeks after he (Mr. Palgi) escaped from a deportation train.

Black Market Funds

Funds for the Underground came mainly from the Rescue Committee, Mr. Alpan said, adding that two other sources also provided funds. But money also came from the parent organizations in Palestine of the Zionist youth movements represented in the Underground, and some came from "certain financial dealings."

Mr. Alpan said that he had been sent from his native Slovakia to Hungary at the beginning of 1944 to organize resistance among the Jews. He denied that his work had been to strengthen his own movement, Hashomer Hatzair.

With the exception of the youth movements and the Zionists, it was impossible to make the Jews understand the fate that awaited them, even after the Germans moved into Hungary on March 19, 1944.

Immediately after the Underground was formed, in March, 1944, the witness continued, a programme to obtain arms was initiated. But only six or eight pistols could be purchased, and these at fantastic sums. Later, the Underground managed to acquire several scores of pistols, one sub-machinegun and some hand grenades. Five or six bunkers (underground hiding and defence places) were built.

Deputy District Attorney Amnon Tell, who was asked last week to notify Judge Halevi yesterday if he was going to call Mr. Yoel Brandt, who brought Karl Eichmann's proposal to save a million Jews to the Rescue Committee in Istanbul, said that he could only answer this question *in camera*.

The trial continues today.

KNESSET

(Continued from P. 1)

Dr. M. Sneh (Left Faction), wove in Sunday's incident more skilfully, presenting it as a result of the political obligations incurred by the Government in accepting U.S. aid, as border incidents benefited only the imperialist powers. During the interval he was seen being pursued by Mr. Riftin (Mapam), who was arguing angrily that while the matter might be raised subsequently, "only a boor ('menuval') would speak about it today."

The Knesset yesterday voted to return to the Knesset Finance Committee for the second reading the proposed extension of the Emergency Regulations requiring excess value payments to be made by importers in respect of goods bought before the devaluation of the Israel pound. The law came into effect on February 13, 1952, and is being extended for another year as not all goods ordered and paid for with the cheaper foreign currency have yet arrived. Mr. P. Bernstein, Minister of Commerce and Industry, taking the place of the Finance Minister, who is indisposed, emphasized—in reply to a challenge from Mr. Bader (Herut)—that the law was in respect of the past devaluation, and that there was no intention, and also no need, to introduce any further devaluation.

CRASH— Eight men are reported to have been killed when a Norwegian Air Force Catalina plane crashed on Bear Island in the Arctic Ocean on Sunday. All but one, a radio reporter, were Air Force men.

DE-RATIONING OF LAUNDRY SOAP

HAIFA, Monday. — The Ministry of Trade and Industry has derationed laundry soap. Every housewife can now freely buy the laundry soap she prefers.

Therefore, "Shemen" Works have now enlarged during the past few days their output of laundry soap, in order to meet the increased demand for their "Menorah" brand, which followed the official derationing of laundry soap. *(Advt.)*

Milk Still Poured Away, Dairymen Say

Jerusalem Post Reporter

TEL AVIV, Monday. — Skimmed milk continues, and will continue, to go down the drain unless the Government gives milk producers a subsidy, temporarily stops the sale of American hard cheese and orders the sale of milk by-product surpluses which have accumulated, representatives of the private sector of the milk industry said here today. The sector accounts for 28% of the country's milk production.

The representatives, Mr. Z. Isakson, President of the Farmers' Federation; its Secretary General, Mr. I. Ziv-av; and Mr. A. Bar Yehuda, Director of the private Milk Producers' Association, met today with Minister of Commerce and Industry Peretz Bernstein and Deputy Minister Z. Sussyeff.

Mr. Bernstein had pointed out that the matter was under consideration by a Knesset Committee, the Ministry spokesman stated.

It will be recalled that the Ministry has denied that milk is poured away.

Reward
will be paid for information leading to the recovery of jewellery, contents of ladies green handbag lost between Tiberias and Tel Aviv or in Tel Aviv on March 31, 1954.
Apply to:
S. TOSSMAN, ASSESSOR, 19 Rehov Lilienblum, Tel Aviv, Tel 62527

REWARD
will be paid to anyone giving information which will lead to the recovery of a Black Vauxhall car 3865 ת model 1947 which disappeared Friday night in Tel Aviv
Apply to:
S. TOSSMAN, ASSESSOR
19 Rehov Lilienblum, Tel Aviv
Tel. 62527

PHYSICIANS ★
THE THIRD INTERNATIONAL CONGRESS FOR THE EDUCATION OF CRIPPLED CHILDREN
takes place in Vienna between June 8 — 10, 1954
Full details and travel arrangements with the
Congress Representat.. es "MUNDUS TOURS"
Tel Aviv, 73 Rehov Nahlat Benyamin, Tel. 67170
Haifa, 1 Khayat Street, Tel 67000.

Shoes for your Child?
YOU GET YOUR FULL MONEY'S WORTH
AT
Dan Gabrieli
19-20 Yaffa St. Yaffo Technical School Bldg.

NOTICE TO CONSUMERS
The butcher shops listed below are not under the supervision of the Rabbinate but under full control of the Municipal Veterinary Department.
YEHUDA BUTCHER SHOP — 22 King George Ave.
CAHANE BUTCHER SHOP — 3 Sderot Ben Maimon
FUCHS BUTCHER SHOP — 5 Julian's Way
BRIUT BUTCHER SHOP — 12 Princess Mary Ave.
UNION OF NON-KASHER BUTCHER SHOPS
Jerusalem Branch

FREE AGAIN!*

Good news for the housewife:
IZHAR'S BAYIT Israel's favourite laundry soap*) now available at all shops.
Buy it — *for whiter, brighter wash.*
Buy it — *for soft hands on wash day.*
Buy it — *for highest quality at lowest cost.*
*) Bayit — guaranteed full weight of genuine soap at 275 Pru ! (including luxury tax)
„BAYIT"-BUY IT!
All Bayit soap which is marked כשר לפסח has been certified

President Drives Through Negev

"Since our last visit a year ago noticeable developments have taken place in Eilat," President Ben-Zvi said yesterday in Jerusalem, reporting on his trip to the southernmost section of the country.

On Sunday in Eilat, Mr. Ben-Zvi said that "Israel will not give up the sea and land routes to Eilat, whose importance is great, and I am sure that the Government will settle the Negev with many more settlements to strengthen and ensure its connection to the north." Mrs. Ben-Zvi spoke of her recollections of her previous visits during the Mandate.

The President and Mrs. Ben-Zvi, accompanied by Aluf Yosef Avidar and Mrs. Avidar, Aluf Dan Tolkovsky, the O.C. Southern Command, and other high army officers, went by the land route to Eilat on [illegible] night, visiting the Aravot settlements on their way. The party flew back north yesterday.

The President addressed the people of Eilat at a meeting opened by Mayor H. Nenner. Mr. Nenner said that the President's arrival by land symbolized the strengthening of the ties between Eilat an the rest of the country.

Aluf Avidar said that the Army would take care of safe transportation to Eilat and would see to it that those committing atrocities like the attack at Ma'ale Akrabim would not deem such acts favourable. The recent attack would only serve to increase the development in the Arava, he said.

On the way to Eilat the Presidential party had stopped at Ma'ale Akrabim. The massacre at that spot, the President stated, would serve to encourage the country to strengthen the link between the Negev and Eilat, and the rest of the country.

ANTWERP FETES ARIEL

ANTWERP, Monday (INA). — The Israel Minister to Belgium, Mr. Joseph Ariel, was the official guest of this city today.

RATION NEWS

JERUSALEM: Coffee and tea: 100 gr. of either, or 50 gr. of each; 100 gr. of tea on Gimel cards, Vav 4, Vav 5.

HAIFA AND SHOMRON: Coffee and Tea: 100 gr. of either, or 50 gr. of each; 100 gr. tea on Gimel cards, Vav 4, Vav 5. Oil: 400 gr., Vav 10, temp. 1. Cornflour: 600 gr. on Aleph cards, no coupon, temp. 35. Imported Cheese: 200 gr., no coupon, temp. 15. Imported Honey: 450 gr., on Aleph cards, no coupon, temp. 34. Pulse: 300 gr., no coupon, temp. 7.

'Times' for UN Airing Of Negev Massacre

LONDON, Monday (Reuter). — "The Times" said today that Israel's request for the Big Three powers to raise the Scorpions' Ascent bus massacre at the U.N. Security Council deserved "serious consideration."

Israel's withdrawal from participation in any further M.A.C. meetings "must be taken as the latest illustration of the conviction that there can be no relaxation of border tension with her Arab neighbours unless the Western powers throw the weight of their authority in support of a settlement of more lasting nature than a mere suspension of active hostilities," this independent newspaper declared.

The paper said Mr. Hammarskjoeld did not seem to be impressed with Jordan's point of view until Israel withdrew from the M.A.C. This introduced a new factor, because the Secretary-General is deeply concerned to keep the machinery set up by the Armistice Agreement working until something better can take its place.

"The Times" said the M.A.C.'s perform an essential function, adding that this is clear from the experience of the last few years; only this month the dangerous clashes in Lake Tiberias were successively resolved by their agency.

Iraq Tale of Prisoners Proved Fabrication

There was no news to the report on the three Israelis being held prisoners in Baghdad since January 3, Mr. Sharett told a questioner at his press conference in Jerusalem yesterday.

The Foreign Minister said that the diversionist story about Israel holding several Iraqi officers had been completely disposed of and was a complete fabrication. An investigation conducted by the Chief of Staff of the Truce Supervision Organization had shown no record of any such prisoners having been captured and detained by the Israel Army.

It stands out now as a naked fact, Mr. Sharett stated, that two women and one man were kidnapped in broad daylight according to the rules of open piracy and are being held—not even for ransom—at the pleasure of the Iraqi Government. This is an act of international robbery of which the victims are human beings.

Wise Youth Hostel Opens Today

Jerusalem Post Reporter

The Louise Waterman Wise Youth Hostel, overlooking Mt. Herzl in Jerusalem, is to be opened today by Mrs. Justine Wise Polier, daughter of the late Rabbi and Mrs. Wise, in the presence of Prime Minister Moshe Sharett and representatives of the National Institutions.

The splendid three - storey building — most ambitious of the youth hostel network in Israel — cost $150,000, a gift from the U.S. Womens' Division of the World Jewish Congress which is headed by Mrs. Wise Polier.

The hostel has dormitories for 100, with exceptionally spacious dining-hall, music and recreation lounges, a penthouse studio and roomy kitchens. The colour scheme is warm red-brown and white, with ultra-modern furniture in cinnamon and sulphur-yellow.

Mrs. Wise Polier has appointed a Board of Trustees to administer the hostel which will house seminars during the winter and youth from Israel and abroad during the summer.

The overnight charge ranges from 150 to 300 pruta for members of the Youth Hostel Association.

BETAR PROTESTS

TEL AVIV, Monday. — A spokesman of the Betar Sports Organization protested at a press conference here today against the failure to include any Betar footballer in the Israel National Team which is leaving for South Africa tonight.

Lowdermilk, Lehman Win Wise Prizes

NEW YORK, Monday (Reuter). — The American Jewish Congress yesterday named Senator Herbert Lehman, Democrat of New York, and Dr. Walter C. Lowdermilk, soil conservation and farm expert, as winners of the 1953 Stephen Wise awards.

Two organizations, the Youth Aliya and the Jewish Publication Society of America, won the other two $1,000 awards given annually in memory of the late American Jewish leader.

Dr. Lowdermilk was given the award for his pioneering and creative contributions to the development of Israel; Mr. Lehman for his defence of civil liberties in the U.S.; Youth Aliya for its 20-year record of rescuing and bringing to Israel 65,000 children, and the publishing house for its contributions to Jewish culture. *(Reuter, INA)*

With deep sorrow we announce the death of
Mrs. Helena Hanna THON
(widow of the late Dr. Jacob Thon)
The funeral will leave from the home of the deceased, 18 Rehov Bambus, Rehavia, today, March 30, 1954, at 11 a.m. for the Sanhedria Cemetery.
The bereaved family

Agricultural News at a Glance

THE first recommendations of the Public Committee on Agricultural Marketing, to be submitted shortly, will deal with organizational plans for the marketing of vegetables, it is learned. Questions of profit margins will be discussed at a later stage, after enough factual material has been collected. For the time being, the Committee is confining its investigation to marketing and disposal of vegetable surpluses. Marketing of milk and eggs will be discussed at a later stage.

•

A LAW for the setting up of Agricultural Marketing Boards is to be submitted to the Knesset shortly, a spokesman of the Ministry of Agriculture disclosed at the meeting of the Public Committee. The Food Controller, however, speaking on behalf of the Ministry of Commerce and Industry, opposed this measure as premature, saying that advisory boards only should be established for the time being.

The matter is expected to be dealt with in the Committee's recommendations.

•

AREAS under flax have fallen from 7,000 dunams last year to 3,000. A meeting called to deal with this by Mr. A. Efrati, Deputy Minister of Agriculture, was attended by Mr. Z. Sussyeff, Deputy Minister of Commerce and Industry, Mr. Hamerlinck, U.N. expert, representatives of the Bitan and Yerushalmi factories and Ministry of Agriculture employees who deal with the growing of flax. The decision: grow flax as a raw material for export — there are already some possibilities; then try to develop the industry at home, at present beset by difficulties.

•

NO more vineyards will be planted in the labour settlements, which cannot depend on private presses to dispose of their produce, Mr. N. Verlinsky, General Manager of Tnuva has declared. More than 4,500 dunams of vineyards have been planted in labour settlements in recent years, and in 1957, Tnuva will be handling 14,000 tons of grapes, of which 30-40 per cent will be wine varieties. Such quantities cannot be sold on a casual basis, as was done when surpluses from table consumption did not exceed a few hundred tons. Negotiations with the cooperative cellars in Rishon leZion and Zichron Ya'acov failed utterly, Mr. Verlinsky said.

•

HONEY exports totalled 120 tons and are not expected to increase, as this item is only maintained on a barter basis against sugar needed for apiculture. Egg exports yielded comparatively good revenue to poultrymen: 54 pruta per egg, less than the 60 pruta they are getting on the local market. But prospects for the next winter's export season are uncertain.

TOWARDS A CREDIT POLICY

By K. GRUNWALD

IN his budget speech on February 22 in the Knesset, the Minister of Finance stated that the nominal increase in the means of payment (i.e. currency in circulation and demand deposits) was primarily due to the increase in bank deposits which in turn was caused by an increase in credits. Pointing out the vicious circle in which deposits beget credits, and credits beget deposits, the Minister referred to measures already taken and to be taken in future to prevent an inflationary expansion in means of payment.

In January 1954, the government had decided to freeze the total volume of bank credits at the level of November 1953. Indeed, it reduced its share in credits from IL.25m. to IL.6-7m. at the end of February.

Lauding the above-mentioned freezing order, a "Special Correspondent" in *"The Jerusalem Post"* (Credit Policy's Effect on Economy) also claims that "it is not the deposits but the bank credits which have shown the most conspicuous increase, and it is credits that have been the driving force of monetary expansion."

The views expressed in the above two statements are of great importance, as they are likely to influence the formulation of a policy and of measures which may have a considerable impact on the economic life of the country. And it is for this reason that we have to subject these views and conclusions to a close examination as to their validity. In this connection two principal questions have to be asked:

Was credit expansion economically justified and sound, and to what extent?

Is credit expansion the real culprit for the increase in the means of payment?

The speech by the Minister of Finance offers all the material required to form an opinion on this subject. Two figures will suffice to illustrate the situation: during 1953, 96 industrial enterprises, with a combined capital investment of $14m. and IL.9.5m. started operations. Industrial exports in 1953 increased by $13.2m. or 27.4%. How could such an expansion take place without credits?

The table below, also gleaned from the speech, will illustrate this point even better.

The national income (nominal value) rose by 100% between 1951 and 1953. It stands to reason that there must be a roughly corresponding increase in the monetary means to move the larger volume of production and services. But the question is what increase would be justified?

		Dec.51	Dec.53	Increase (%)	Increase (IL.m.)
National Income	IL.m.	327	1050	100	
Credits, excl. Govt. aid	"	134	177 (Nov.)	42.8	53
Credits, incl. Govt. aid	"	146.3	221 "	51.4	75
Total Money Supply	"	241.5	320.2	33	78.7
Total Deposits	"	150.5	194	30	43.5
Total Currency in Circulation	"	92	136.2	35.3	35.2
Credits and Money	"	387.8	541.2	40	153.4

In 1951, before the introduction of the N.E.P., the inflationary situation was characterized by "too much money chasing too few goods". While in the opinion of some leading bankers and economists this situation could have been remedied by the stoppage of the printing press alone, i.e. an end to deficit financing by means of Land Bonds and Treasury Bills, accompanied by qualitative credit control, measures actually taken went far beyond. The devaluation of the Israel Pound, though staggered over two years, reduced the working capital of enterprises to one-fifth in purchasing power for imported materials and equipment, but so far affected local services much less. In addition, the Compulsory Loan, while only temporarily anti-inflationary, and finally tantamount to a redistribution of means of payment, nevertheless taxed the financial resources of the individual enterprise. Only relatively few received direct compensation within the Development Budget.

The total of these measures squeezed out of the economy considerably more than the "excess purchasing power." The body economic, though weakened by this operation, has shown recuperative powers. In addition to the "official" infusion of purchasing power shown in the above figures, it has created means of payment of its own. Bills and post-dated cheques have become a second "fiduciary issue" and circulate widely. It is impossible to determine the quantity of these means of payment. Therefore the total of all means of payment, official and unofficial, cannot be gauged either.

The total volume of bank credits over the two years, including those from Government funds, had increased by 51% (bank credits alone by 43%) that of the money supply by 33%, against 100% in the National Income. Even if "unofficial currency" is estimated at a high level, the total increase in the money supply does not appear to have exceeded 60% since December 1951.

The figure for the increase in bank credits (incl. those from Government budgets) IL.75m. — no doubt shows great similarity to the IL.78m.-increase in the total money supply, and this similarity may have convinced some observers of the truth of the theory that credits beget deposits or money. But this explanation seems too easy, and not quite convincing.

Not quite convincing, because there were a number of factors increasing the total of deposits. As banking statistics show, they include close to IL.3m. of "deposits opened in connection with the 80% supplement to the rate of exchange." Moreover, the revaluation by the banks of their foreign exchange accounts at the new rate and transactions by the Shilumim Corporation and from the Counterpart Fund as well as certain capital imports, must all have had their impact on the volume of deposits.

The above explanation is not convincing for another reason; the process of money creation "out of thin air" by credits is obviously effective under certain conditions only. A credit granted from "primary deposits," i.e. obtained by a cash payment into the bank, is supposed to multiply and create "derivative deposits" within the total banking system, at a rate which is determined by the liquidity prescription. At a reserve ratio of 10% the total volume of credit created will be ten times, at a ratio of 25% four times the amount of the original credit. When the reserve ratio is 100%, the multiple credit expansion is arrested, the credit is "demonetized".

The ratio prescribed for the larger part of 1953 was 90%. The possible multiplier impact of credits granted by the banks on their own was negligible, at best. Moreover, within a total increase in the money supply of IL.78.7m, close to half, i.e. IL.35.2m. were in currency, which has not the deposits' magic power of multiplying. The multiplier rate, however small at 10% was accordingly still further reduced. (It may be mentioned here that credits granted in "over-draft account", as are many credits in this country, are less inflationary than credits debiting the client in one and crediting him in another parallel account which automatically creates a deposit in the bank issuing the credit. The overdraft system has another advantage: the client who pays interest only on the money actually used will try to keep the balance as low as possible.)

Credit Lagging

Moreover the multiplier can be effective only if the money from a credit granted is used for expansion of economic activity. The bulk of credits in Israel are granted today not for expansion but for preventing contraction. The credit lags behind, but does not precede an economic activity. To a manufacturer it may replace, for instance, working capital invested for wages and raw material in an order from some public institution which will pay in three months' time. At the worst, it reduces the circulation of the "second fiduciary issue" of bills or post-dated cheques.

These observations do not always apply to credits granted, on Government's instructions, *outside the liquidity restrictions.* Here, indeed, may be the culprit, if culprit it be.

It is impossible to glean from the banking statistics the share of these credits, which must have been considerable. We have today, in fact, three groups of credits within the bank's portfolio: credits granted by banks within the liquidity ratio imposed; credits outside the liquidity ratio, and credits from Government sources, frequently with the participation of the banks. No real judgment can be formed without some knowledge of the respective shares of these credits. One can, however, reach certain conclusions by examining the use to which the credits are put.

Productive Credits

Statistics on the distribution of bank credits show that during the 21 months from December 1951 to September 1953 total credits increased by IL.70.8m. Of this increase 62 per cent went to production — agriculture and industry — directly, and 20 per cent indirectly, by way of such colonizing institutions as the Jewish Agency; construction and commerce accounted for five and nine per cent respectively (a fair share of these went indirectly to central and local government authorities, and thence to industry and agriculture.)

Credits to "miscellaneous" borrowers dropped simultaneously by 25 per cent, which gives an indication of the efficacy of qualitative credit control. The biggest relative increase, from IL.3.3m. to IL.19m, although it only made up 22 per cent of the additional volume of credits, was in credits to central and local government. It is up to those in the know to judge whether it served productive purposes. The unemployment figures quoted by the Minister imply a possible explanation for this increase. In any event, it is not the banks which are to blame for it.

The Minister indicated that, in 1954, the national income is expected to increase by about 25 per cent. The question must be asked how this increase is to be accomplished without a parallel and adequate increase in the means of payment. There are 20,000 registered unemployed, many more "unabsorbed" in production. Much productive equipment installed in recent years is only partly employed, and idle semi-finished plants, not completed because of shortage of funds, not only do not produce, but consume foreign exchange. To put to work these idle resources, human and material; to avoid at the same time renewed inflationary pressure, and to achieve simultaneously the monetary stability on which savings and investment depend, — this is the task for supreme economic statecraft.

(This is the first of two articles.)

THE WEEK IN THE STOCK EXCHANGE

THE downward trend of last week spread almost throughout the market. With a few exceptions, prices were down by a number of points in a long list of stocks. Tavel Dollar lost 15 pruta, Pal. Potash preference shares fell 7 points, (ordinary shares recovered from previous losses), Jerusalem Electric shares lost 12 points, Palestine Electric, London Register, 7 points and the Israel Register 7 points. In the above mentioned sections of dollar- and sterling-linked securities, sometimes some demand was apparent and some of the prices improved slightly — but only temporarily. In addition, a variety of shares, such as P.L.D.C., Africa-Palestine Investment, Ata, Kurdaneh, etc. lost a few points not exceeding, however, 3 or 4 during the week. There appear to be no special reasons for this trend, except the need for cash or some realization of previous gains, of which the losses, since this trend started, constitute only a very small part of the earlier gains.

On the other hand, there were also some firm features. Bank Leumi shares improved by a further 10 points, the demand for Shitrei Erech brought their prices to slightly higher levels, while the Nesher "B" debentures also dropped by 1 point and Palestine Cold Storage debentures by 2 points. Nesher "A" debentures, Pal. Potash ord. shares and Palestine Electric, Israel Register, dropped by 1 point each. The turnover in Shitrei Erech was rather considerable. The new interpretation given to the last order of the Finance Minister with reference to Shitrei Erech makes it possible also for wage earners, whose income is deducted at source, to pay their income tax as of October 1, 1954, by means of Shitrei Erech. Moreover, a new regulation is expected according to which it will no longer be necessary, as originally ordered, to advise the Assessing Officer six months in advance of payment to be made in Shitrei Erech. Accordingly, every holder of Shitrei Erech will be in a position to settle his income tax payment through them.

The procedure is not yet clarified, but it appears that the Shitrei Erech holders will send their bonds to the State Loan Dept., the receipt for which will be proof for their employers of the income tax having been properly paid. The demand for Nesher "B" debentures is probably connected with the still pending decision of the Economic Minister's Committee with the increase in the cement price, and with the expectation that the Bondholders Committee will come to satisfactory terms with the Company regarding the excise payment problem.

LONDON

After a rather hesitant start, when market was picking its way very carefully, further good Company reports later in the week helped to offset previous profit-taking and the atmosphere over the weekend was more cheerful, but still did not fully recover to last week's level. In the Foreign Bonds, the Germans were firm again on reported Swiss buying, but Japanese inclined to be dull. In South Africa, the industrial issues continued to improve on consideration of the South African budget. The gold share market is showing signs of recovery from its uneasiness. It should be added that the recent sterling regulations and the reopening of the gold market in London do not appear to have affected the stock market in any way. Reuter's Daily Index for industrials was 159.2 against 159.8 last week.

NEW YORK

Over the weekend, the stock market staged a rally from the declines of the past three weeks, recently aided by the Eisenhower declaration that at the moment nothing called for an immediate full-scale emergency economic programme, and the week closed very steady with gains ranging up to $2. Some bright spots in the business news encouraged renewal of investments. Dow-Jones Averages for 30 industrials, which had dropped to 296.40 was 299.08, in comparison with last week's 301.44.

GOLD

The price of gold in London was 248/4d. per fine ounce as against 248/6d. fixed at the first reopening session. Turnover was rather limited. In Paris, small increases were again noted with the higher levels, however, not surviving. Later, fears of political difficulties for ratifying of the European Community Defence Treaty incited some buyers to re-enter the market. Unofficially, trading was on the basis of ffrs.422,500, while some reserve was apparent pending new developments in relation with the expected quotation of coins in London, as well as the opening of other gold markets in some European centres and eventually in New York.

COMMODITIES

The price of lead, zinc and cocoa advanced during the week. Doubts whether France and Germany will sign the Tin Agreement caused some reaction in the prices. Possibilities that the U.S. may resume stock pile purchases of lead later on and that higher import duties may be imposed, helped to strengthen the lead prices. In the current season the wheat exporting countries within the International Wheat Agreement are making a mockery of this agreement's price structure, says "Corn Trade News." The journal asked and urges the need for a free Winnipeg wheat market.

By arrangement with I.L. Feuchtwanger Bank Limited

TEL AVIV STOCK MARKET

MARCH 29.

		Rise or Fall
Govt. Loans		
7% 1955 (reg.)	99½	—½
6% 1954 (reg.)	100	—
6% 1955 (reg.)	100½	—
Pop. Loans		
1948/49 (IL.10)	101½	—
1950/7% (IL.10)	101½	—
4½% Tavel Dollar	1423 ×	+3
4½% War Loan 54/59	84	+1
4½% Govt. Bonds large	98½	—½
Pal. Reserv Bd.		
Ser. 1	72½	—
Ser. 2	70½	—
Ser. 3	72½	—½
B. Leumi Ord. sh.	455	—
A.P.B. Invest.		
6% Debs. 50/70	99½	—
4½% Pref. sh.	100	—
Ord. sh. "B"	116½	—
Gen Mortg. Bds.		
6% Debs. 48/68	77½	—
6% Pref. sh.	74½	—½
Bisur		
6% Debs. 46/58	90	—1
4½% Debs 52/66 reg.	76½	—
Biz Ltd.		
6% Debs. 29/59	83	—
6% Pref. sh	70½	—
Fass Debs. 4% 42/62	72	—
P.L.D.C. Ord. sh. reg.	172½	—
6% Debs.	80	—1
Afr Pal. Inv Ord. sh	124½	—
Bassee		
6% Debs 56/63	68½	—
6% Pref Ord sh.	95½	—
Pal. Potash 6% Pref. sh	443	—
"A" ord sh.	287	—1
Pal. Elec. Ord. sh (Isr.)	490	—1
Ackeroth Pref. sh.	77	—
Ata 4% "C" Pref. sh	110½	—
Ord. "B" sh.	149½	—
Ord. "C" sh.	149½	—
6-8% Con. Debs.	104½	—
"Kardanch" Ord "A" sh	155	—
Ord. "C" sh.	154½	—
7% Conv. Debs. 50/65	112½	—
Assis-Roj. ("B" sh	168	—
"Tova" Ord. sh.	101	—
Nesher 6% Debs. Ser. A	122½	—1
6% Debs. Ser. B	154	—3
Pal. Cold St. 7% Debs	143½	—3c)
Ledata 4½% Pref. sh.	69	—
S.A. Binyan Ord. sh	83	—b)
Pal. Constr. Tr pref. sh	91	—

Notes: a) purchasing price; b) selling price; c) ex-coupons; d) ex-right; x) pruta per one Dollar.

THE JERUSALEM POST

Founded as The Palestine Post in 1932. Published daily, except on Saturday, in Jerusalem by The Palestine Post Limited. Registered at the G.P.O.

Founder and Editor GERSHON AGRON

Tuesday, March 30, 1954 Adar II 24, 5714. — Rajab 25, 1373

UNEMPLOYMENT figures for February are almost identical with those of February 1953. Though the situation seems to have deteriorated recently because of several lay-offs, it may again improve, thanks to the special measures undertaken by the Ministry of Labour and the Histadrut on the eve of Passover. As a matter of fact, unemployment usually drops in the month of April. Prospects for the summer, however, are not encouraging. At least one half of the 14,000 now engaged in the lifting and handling of the bumper citrus crop will by then be thrown on the labour market. The continuation of building activity at its present level is also running into difficulties because of reduced spending power and shortage of credits, and the policy of budgetary retrenchment is bound to limit the possibilities of extensive public works, both Governmental and municipal.

TEST AHEAD

Some estimates put the number of workers who would be released by these shrinkages as high as 13,000-14,000, but even if this be an exaggeration, the problem created will be quite serious. Large dismissals have been announced by several public institutions, and in industry, the additional jobs resulting from increased export orders and new factories starting work are not expected substantially to exceed the number of workers discharged because of reduced sales or increased efficiency. Altogether, the number of registered unemployed is likely to jump from the present 1,000 to double that figure, and the number of workless who fail to register with Labour Exchanges (also going into several thousands) will probably increase as well.

Until now registered unemployment did not exceed five to seven per cent of the total number of wage-earners, and it could still be considered as consistent with full employment — with due regard to the special difficulties of absorbing mass immigration. But will this still be possible with one out of seven of our working population idle? Our economic and financial policy will then be put to its real and severe test. It is sadly felt that for the time being no plans have been prepared for this state of affairs: perhaps the Government is relying on last-minute improvisations and emergency measures.

The only positive hint was the Minister of Finance's proposal to transfer 10,000 urban families to agriculture. But should even this unlikely target be attained, it would only cut by one-half the expected increase in unemployment. If no productive plans are made and implemented in time, the chances are that the pressing need to placate popular demand may result in adopting projects near at hand of a palpably inflationary character, like terracing, afforestation, or planting parks. Government may be also tempted to lend its hand in the pressure on employers (private and corporate) by the trade unions to put off dismissals by all kinds of schemes and makeshift incentives.

Better ways than these can be found, as shown by the Jewish Agency's attempt to utilize the workdays allocated to the labour villages for direct development of their cultural holdings. A case in point is also the Minister of Communication's contention that at least 40 per cent of our industrial capacity is at present unused. Wherever new jobs could serve the production of reasonably priced goods and services, they should be created. But to achieve this aim, labour first may be set free from jobs unproductive or redundant at the present juncture of our economy, in spite of any hardships that this transitory process may entail.

MORE RUSSIAN FUEL

By a Special Correspondent

THE second 100,000 tons of fuel oil are to be purchased from Russia by the Palestine Electric Corporation, according to the option right secured two months ago. Russia's price to us is comparatively high; she has recently sold crude and fuel oil cheaper to several European countries. Finland, for example, contracted for 800,000 tons of crude plus 425,000 tons of oil products and is prepared to resell fuel oil at relatively convenient terms. Similar offers, to be paid in clearing accounts, have been made by Central European countries. Besides, fuel oil can now be obtained from Italy, France and other sources at prices almost equal to the Russian quotation.

The competition of cheaper Russian crude and fuel oil is beginning to cause some headache to the Western oil companies. Russia exported a total of 2m. tons, in 1953 but a rise is expected in the current year. The share of Israel in these exports was small but of particular interest to the companies, because this market gives extraordinary profits. Deliveries to Israel are still priced on the "Gulf basis" plus freight costs from Venezuela, even though the crude may be actually brought from nearer sources or taken as ballast by tankers sailing to Lebanon ports in order to load there Saudi or Iraq crude.

It has been computed that on this basis Israel is paying at least $4 per ton more than it would cost to bring to Haifa crude from Kuwait via the Cape route, $6-7 per ton more than it would cost to bring this crude via the Suez Canal, and $9.50 per ton more than the official price of crude, $17 at the outlets of oil pipe-lines at Saida or Tripoli. For the annual import of about 1,000,000 tons this overcharge amounts to several million dollars.

The companies now complain that direct imports of fuel oil instead of crude are bound to undermine the precarious profitability of the Haifa refinery, which is operating at only one quarter of its productive capacity and is therefore charged with exaggerated overhead costs. However, "ultimate consumers," like the Palestine Electric Corporation, which in fact accounts for almost half of the total quantity of oil consumed in this country, have been reserved the right to import refined products, and it is assumed that the Palestine Electric Corporation will continue to exercise it.

The opening of alternative sources of supply of crude has recently become important from the qualitative point of view too. The kind of crude now supplied to the refineries from Venezuela, though generally corresponding to the "normal Mid-Eastern quality," is poor in Butane gas which is of vital importance for the ammoniac production planned by Fertilizers and Chemicals Ltd. and as a convenient fuel for cooking and heating. The possible shortage of Butane gas has already induced the management of Fertilizers and Chemicals to explore ways and means of an alternative method of production, which would, however, imply a considerable additional investment.

Another question which cropped up recently is connected with the proposed oil pipe-line from the Haifa refinery to the south, with a terminal north of Tel Aviv. This pipe line has been recommended for strategic reasons and to cut foreign currency and local transport costs. Sufficient yield on the capital invested can only be secured by making the use of this pipeline compulsory for all fuel companies operating in the local market, yet some of them are strongly opposed to such an obligation. The opponents of the scheme are also supported by the Railway Management and by the truck owners who have vested interests in present haulage arrangements.

Bankers' Clearings

DURING the year 1953 there was a marked increase in the amounts dealt with by the Bankers' Clearing House Association. The total sum cleared was IL.1,465m., as compared with IL.1,083m. in 1952 (a rise of 35 per cent). The increase somewhat slowed down in the second part of the year, but in December, a daily average of IL.5.2m. was attained. Two-thirds of this sum were cleared in Tel Aviv, one quarter in Haifa.

HAIFA 'FERTILIZERS' TO EXPORT IN 1955

CONSTRUCTION work at the Fertilizers and Chemicals plant in Haifa is to be resumed shortly and completed within a year. The company plans to export potassium sulphate and other chemicals to the value of at least $1m. in 1955. The export is to be handled by a new company which will be given the general export agency for seven years. A majority of 75 per cent of the shares in this company will be held by the Palestine Economic Corporation. The export proceeds are to serve as a guarantee for the $1.5m loan Fertilizers and Chemicals is to receive from the P.E.C. Of this loan, $1m. are ot be repaid over a period of seven years. It is understood that the loan is regarded as sufficient for the completion of Fertilizers and Chemicals' present investment plans on the assumption that a suitable formula will be found to resolve the company's commitments to the Treasury.

Sheep Stud in South

By Our Economic Correspondent

A STUD-FARM for sheep is being laid out near Dorot in the Northern Negev. It springs from the initiative of Mr. S. Goldberg of Austrialia. When he visited Israel in 1950, he found, as he puts it, some things in this country which did not make sense. The fields were left in stubble after the harvest and the grass along the roads and in the orchards, was not grazed. The country was hungry for meat; scarce foreign currency was allocated for purchase of wool. Mr. Goldberg, a surgeon by profession but a sheep-rancher by avocation, talked with the authorities about a plan for sheep-raising, and having received their blessing decided to launch a stud farm himself.

He secured a tract of land from the Jewish National Fund, raised money and equipment in the United States and in England, and flew the sheep from Australia owing to the blockade of the Suez Canal.

The sheep farm fits well into the new plans of the Ministry of Agriculture which aims at curtailing dairy-farming and introducing sheep. The Arab farmers have always relied on sheep for meat. The wool which the local breed provides, however, is very coarse and cannot be used for producing fine textiles, but high-quality wool may be obtained when a better breed is introduced.

The sheep farm near Dorot proposes to raise the lambs and to distribute them among farmers. In the irrigated orange groves the sheep could feed on grass all year round. In other places, they would have to be moved during the dry season, as the Arabs used to do, or additional fodder would have to be produced. The danger of the sheep damaging the bark of the trees is to be removed by introducing a special muzzle, developed by Californian citrus-growers: it closes automatically if the sheep tries to raise its head to get at the trees.

The scheme appears to fit Israel conditions admirably. Until now attention was centred on keeping sheep for milk, but the introduction of a good breed for wool and meat would mark a turning point. We should be enabled to exploit grass and pasture, which is now wasted, for getting wool and meat, and groves and fields would benefit from the sheep manure. The import of sheep is to continue until we reach 2,000 head. These could stock a new breed in this country.

Company Report

Bank Leumi Capital Up

TOTAL assets (and liabilities) of commercial banks operating in Israel increased by 50 per cent in 1953, and of credit co-operative societies by almost 40 per cent, according to official summaries.

The balance sheet of the Bank Leumi Ltd., which comprises about one-half of our total banking system, shows for the same period an increase of one-third only (IL.182m. to IL.245m.). This need not mean that the bank lags in its expansion, for the difference is at least partly due to discrepancies between its conservative methods of accounting and other banks' often inflated figures.

So far as statistics can be trusted, the Bank's share in the total sum of documentary credits dropped from 43 per cent to 37 per cent (as compared with 38 per cent in 1950), and a similar though much smaller drop occurred in regard to acceptances. In guarantees there was even an absolute decrease (while in the rest of banks there was a rise by 10 per cent), but this was caused by special circumstances which brought an extraordinary rise of this item by the end of 1952 (in connection with fuel imports which had been financed from Reparation funds).

Liquidity Ratio: 48%

On the other hand, the Bank's "Current deposit and other accounts" have increased from IL.99m. to IL.115m., almost at the same rate as in other banks, in spite of the fact that it is paying somewhat lower interest. "Advances to customers", including "bills discounted", rose from IL.84m. to IL.78m. (by 38 per cent), at a slightly smaller rate than on the average. The Bank's rate of liquidity was about 40 per cent for all banks at the end of December.

The above figures do not include government deposits and "Loans in connection with Government of Israel, special deposits", which rose from IL.45 m. to IL.73m. The greater part of these sums consists, however, of transitory items of the counterpart funds of the American grant-in-aid.

Two New Subsidiaries

The item "Subsidiaries" has grown from IL.1.3m. to IL.1.9m, as a result of the addition of two companies to the Bank's concern: "Cifico Ltd", which was established in Zurich with a capital of Sfrs 2m. for the purpose of attracting foreign currency, and "Mikhmane Ha'aretz Ltd", which was set up in 1952 with the object of attracting American capital and subsequently taken over by the Bank and its subsidiary, the APB Investment Company, to be developed as an investment company for equities. The item "Investments" decreased from IL.865,000 to IL.680,000, partly because the Bank's original participation in "Mikhmane Ha'aretz" was transferred from it to "Subsidiaries," and partly as a result of the rise in the stock exchange, which allowed the Bank to part with shares acquired in preceeding years and to realize considerable profits.

Dividend and Bonus Shares

The revealed profit for the year was IL.503,000 (last year IL.456,000) out of which IL.300,000 were transferred to the Reserve fund, while IL.200,000 were required for distributing a dividend of 12.5 per cent on IL.1.6m. of shares. The directors have considered it desirable to increase the capital and the open reserves out of the accumulated internal reserves.

An amount of IL.400,000 is to be distributed to the shareholders as bonus shares (one for every four units held) and IL.250,000 has been added to the Reserve Fund, bringing it too to IL.2m. As overseas shareholders are now receiving their dividend at the IL.1.8 rate of exchange, the present rate of dividend is equivalent for them to a yield of 2½ per cent on the nominal value of £1 per share but owing to a series of bonus shares issues, a steady holder is now in possession of 2½ shares for every one original unit.

The agreement between the Government and the Bank on the issue of Israel currency will be terminated when the State bank is set up, presumably during 1954. The Government loan administration will also be transferred to the State bank.

The main items of the Bank's balance sheets in the recent years are shown in the following table:

	1950	1951	1952	1953
		(in IL.1,000)		
Share capital	800	1,200	1,600	2,000
Reserve Fund	1,100	1,200	1,600	2,000
Current, Deposits, etc.	80,214	92,882	94,997	113,795
Government Deposits	10,674	16,421	31,286	71,971
Guarantees	3,047	5,815	20,196	18,841
Acceptances	2,930	2,817	1,797	5,315
Confirmed Credits	12,679	8,499	18,049	23,315
Cash and Correspondents	16,127	10,573	24,502	25,385
Treasury Bills	25,800	23,440	15,870	11,500
Advances and Bills	34,562	49,803	55,720	70,744
Investments	966	604	562	680
Profits	317	342	486	503

Collection of antique
SEALS and COINS
for sale.
E. Warth, Kiryat Motzkin-Tzafon.

PIA
CAPITAL INVESTMENT FOR JOINT ACCOUNT
Entrance Price 128%
Proposed Dividend for 1954
13% Income Tax Free
P.O.B. 1234 JERUSALEM

ED. KATZ & Co. Ltd.
Cost Accountants SINCE 1927
PLANNING AND AUDIT
of calculations of manufactured goods with participation of experts from abroad.
Office:
34 Rehov Yavne, Tel Aviv
Tel. 3402

IHUD INSURANCE
Agencies Ltd
TEL AVIV • JERUSALEM • HAIFA • NATHANYA
Joint Organisation of
THE PALESTINE CORPORATION LTD.
PALESTINE ECONOMIC CORPORATION U.S.A.

COMPLETE BANKING SERVICE
DEPOSITS · CURRENT ACCOUNTS
TRUSTEESHIPS · STOCKS & SHARES
INVESTMENTS · EXPORT FINANCING
I.L. Feuchtwanger BANK LIMITED

דלק DELEK

A Petrol Station in Ramat Gan
near "Rama" Cinema, on the main Tel Aviv — Petah Tikva Road
IS NOW OPEN
at the public's disposal.
THE ISRAEL FUEL CORPORATION LTD